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Near East/South Asia Report

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15 OCTOBER 1986

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ECONOMIC COST OF GULF WAR, IMPACT CONSIDERED

Nicosia MEMO in English Vol 1 No 12, 26 Aug 86 pp 2-5

[Article by Elias Baroudi]

[Text]

The Gulf war enters its seventh year next September with few signs or prospects for a speedy resolution one way or the other. Needless to say, the economic consequences of the war have been considerable for both Iraq and Iran, and perhaps as tragic as its human toll. This includes not only the widespread destruction of fixed capital assets and the economic dislocations in regions immediately affected by the fighting, but also the redirection of resources from "butter to guns" — from economic development and social welfare projects to the feeding of the costly war machine and its ramifications (including the new oil terminals and pipelines on both sides to bypass the reach of each other's guns and planes).

Not surprisingly, therefore, there are increasing indications that economic factors will play an important role in determining the final outcome of the fighting and perhaps in hastening this outcome. Recent reports from Iraq speak of a low morale problem which is in part the result of a domestic economic slump. Iran's economic situation is not much better and its repeated and increasingly vociferous threats against Saudi Arabia and Kuwait, especially in the last few weeks before the latest Opec

agreement to cut back oil production, reflect the effect of the sharp fall in oil prices on the Iranian economy as well as on the war effort.

Admitting the importance of economic issues in the overall direction and perhaps the possible outcome of the Gulf war, it would be useful at this stage to draw-up a comparative scorecard of the present economic situation in Iraq and Iran and the impact and consequences of the war for the two economies to date. Within the present context, however, the scope of the comparison is necessarily brief and is in any case limited to some extent by the available data base.

Oil revenue

Starting with oil production, both countries have managed to increase their output considerably since 1980-81 when output and exports were interrupted by the outbreak of the war. Iraq's oil output amounted to around 1.3 million b/d in 1985 and Iran's to around 2.34 million b/d. In both cases, output was below the capacity levels attained in the mid- to late seventies (around 5 million b/d for Iran and 3.48 million b/d for Iraq) but this was mainly because of market considerations and war-related export interruptions in some cases rather than technical constraints.

Revenue estimates show that the value of Iran's petroleum exports in 1984 and 1985 were only slightly less than the 1980 level, which amounted to an estimated \$13.3 billion, and in 1982 and 1983 this level was exceeded by around 45 and 46 percent, respectively.

Iraq has not fared as well in this respect. The value of its oil exports, which amounted to \$26 billion in 1980 according to IMF figures, dropped to \$10.4 billion in 1981 and averaged at an annual level of around \$9.8 billion in 1984-85, which is nearly 62 percent below the 1980 total.

If this data is considered on a per capita basis, however, Iraq would come on top. Iraq's oil exports per capita in 1985 amounted to around \$550 as compared to around \$290 for Iran. With oil exports accounting for an estimated 86 percent of Iraq's total exports and nearly 90 percent of those of Iran, these per capita figures are very significant. But it must also be kept in mind here that per capita expenditure on the war (or the per capita war bill) has been higher in the case of Iraq than in that of Iran, especially in view of the former's strategy of heavy use of armour and intensive firepower as against Iran's greater emphasis on infantry warfare.

Import restrictions

As a reflection undoubtedly of the increasing austerity which has been made necessary by the war and the decline in oil revenue compared to pre-1980 levels, Iraq's merchandise imports followed a downward trend from 1980 to 1984, the last year for which import estimates are available. The value of imports in 1984 was 46.5 percent below the 1981 level and nearly 50 percent below that of 1982, this in spite of the fact that Iraq has become increasingly dependent on food imports in recent years.

When the war with Iran started in 1980, the Iraqi government went to great pains to ensure a situation of normalcy and business as usual in the

country. Among other things, imported consumer goods and food products were kept in abundant supply. By 1982, however, this policy was hardly possible to maintain and there was a sharp turn around to war-induced austerity.

Iran's imports have not followed a discernible trend in recent years, falling in 1982 and then rising sharply in 1983 when there was a short-lived reawakening of interest on the part of the Islamic government in ambitious plans and projects, many of which were launched under the previous regime.

Compared to its population of more than 43 million, Iran's merchandise imports in 1984 were considerably lower than those of Iraq. This is due in part to the traditionally much lower per capita income and standard of living in Iran and in another part to the non-materialistic attitude which the Iranian regime has inculcated in, or perhaps forced on, the country.

One point of similarity remains, however, and this is Iran's increasing reliance on food imports in recent years because of the stagnation of agricultural production, as in Iraq. According to figures published by the Central Bank of Iran, imports of agricultural products amounted to \$3.67 billion in 1984, which is nearly 28 percent of total imports and an increase of around 40 percent on the value of such imports in 1978-79.

To balance their growing need for foreign exchange to finance essential imports and military supplies, given the decline in their oil revenue, both countries have had to impose increasingly strict import controls, more so perhaps in Iran.

In Iraq, allocations for imports are made annually in the budget. A relatively small allowance for imports by the private sector is included, but imports of luxury goods have been completely banned since 1982. Reports are that total import alloca-

tions amounted to \$13 billion in 1985 and were cut down to \$10 billion in 1986.

In Iran import restrictions have covered various categories of capital goods in some years but the main concentration was again on consumer goods, especially luxury items. In addition, tight restrictions have been placed on the purchase of foreign exchange for foreign travel and certain other payments for invisibles. A so-called tertiary exchange rate is applied in such a case where the value of the Iranian rial against the dollar was 55.6 percent lower than the official exchange rate in 1984-85.

According to recent reports, import controls have become even more strict since the beginning of 1986, as oil revenues have plummeted. This, in turn, has reportedly resulted in shortages of a number of imported necessities, including pharmaceuticals and meat, as well as raw materials for a number of local industries. Furthermore, in a policy statement made last June, Iran's prime minister promised additional and more drastic cutbacks. A new government body was set up to review once again the structure of imports and to decide on the new cutbacks which could cover such necessities as food products and medicines.

To summarise, the war has equated the population of the two countries in terms of the increasing austerity measures that have been imposed in order to divert resources to feed the war machine. This is much more the case in Iran, however, where austerity has been made a virtue and where shortages have reportedly generated a black market even in a number of basic foodstuffs and essential medicines. Not that this has helped improve the two countries' balance of payment position much. While final figures are not available, it is estimated that both Iran and Iraq ran large deficits on their balance of payments in 1985 and in both cases the deficit is expected to rise sharply in 1986, even if oil prices return to the

\$15-\$18 level in coming months. At best, Iraq's current account deficit is not expected to reach around \$4-5 billion.

Foreign debt

Iraq's net external position is much worse than that of Iran because of its large external debt. In another basic policy turn around, Iraq started to borrow heavily in 1981. By one estimate the external debt rose to a total of \$55 billion at the end of 1984 and by an additional \$10 billion in 1985 to \$65 billion. Of this total, it is estimated that at least around \$45 billion is owed to the neighbouring Gulf countries, especially Saudi Arabia and Kuwait. Other, more conservative estimates, put the total debt at the end of 1985 at around \$50-55 billion of which around \$25 billion is owed to the Gulf countries. Even accepting this lower figure, however, and even though loans from the Gulf countries are not being serviced as ordinary commercial loans and may eventually be converted in part to grants, all the signs are that external indebtedness has become a major, if not the major, headache.

Negotiations for the repayment of loans deferred from 1983 continued beyond the payment deadline of April 1, 1986 and it was only late last July that an agreement was concluded with two debtors, India and Turkey, to settle part of the debts outstanding in crude oil supplies and to defer the remaining part. Thus 60 percent of the \$200 million owed to India will be paid in oil supplies during 1986 and the remaining 40 percent has been deferred for three years. Also, 45 percent of a \$1.2 billion loan from Turkey will be paid in crude supplies and the remaining 55 percent in cash but on a deferred basis.

Early in 1986 there were fears that Iraq's West German creditors would not accept deferment and would declare Iraq in default on some \$200 million worth of loans. An agreement

was finally reached, however, with both West Germany and France.

If anything, these two agreements highlight the extent of the liquidity crunch facing Iraq. Not surprisingly, some observers now consider it likely that Iraq will default on a number of loans. The chances of such defaults are reduced the more substantial is the recovery in oil prices, but if a default occurs additional loans would become impossible to obtain, at least from outside the Gulf.

In sharp contrast, Iran has managed to reduce its external debt from nearly \$10 billion in 1980 to \$5.3 billion at the end of 1984; a sum which is nearly equivalent to the estimated \$5 billion in loans owed to Iran as of end-1985 from pre-revolution days by the United States, Egypt, France, and other countries. Iran has faced

considerable difficulties in its attempts to retrieve these loans so far.

Aggregate performance

A meaningful comparison of the situation of the Iraqi and Iranian economies would not be complete without a study of their aggregate performance, or, in other words, the development of gross domestic product and the situation of the basic productive sectors.

According to figures reported to the IMF, Iran's gross domestic product at constant 1980 prices dropped by 14 percent between 1979 and 1980, but then recovered slowly at first to increase by 1.5 percent in 1981 and 15 and 13.1 percent in 1982 and 1983. In 1984 real GDP stagnated or, more precisely, remained unchanged (see table).

For the period from 1980 to 1984, the average annual rate of growth of real GDP was around 7.4 percent, which is quite a healthy rate and is largely due to the recovery of oil revenues since the situation of the other main productive sectors, industry and agriculture, has been generally grim. And if Iran's exports of natural

gas to the Soviet Union (through the IGAT-1 pipeline) had not stopped in 1980, the fall in GDP in that year would have been even less.

Both industry and agriculture have suffered from the revolution and then the war. Industrial production was seriously disrupted in the early days of the revolution by the nationalisations which occurred in 1979 and by the flight of capital and entrepreneurs. In 1980 and 1981, Iran's heavy industries at Abadan, Ahwaz and Bandar Khomeini were seriously damaged by Iraqi attacks and many of these industries are yet to be resuscitated. In particular, there is now little hope that the massive fertiliser complex at Bandar Khomeini, which was nearly completed at a cost of more than \$3 billion when the revolution started, will actually be completed and put on stream.

National income accounts for Iraq are difficult to come by. According to estimates by the Economist Intelligence Unit, however, Iraq's real GDP declined by a massive 25 percent and then by 5 percent and 15 percent respectively in 1982 and 1983. Considering that the oil sector accounted for around 60 percent of GDP during this period (and still does), this sharp decrease in real GDP is not surprising in the light of the fall of oil exports from an estimated \$26 billion in 1980 to an average of \$10.1 billion from 1981 to 1983.

As far as the other main sectors are concerned, agriculture has suffered from relative neglect in recent years and its contribution to GDP dropped from around 12 percent in the mid-seventies to less than 8 percent in the early-1980s. FAO figures show that agricultural production declined sharply between 1980 and 1983 with wheat output falling by 35 percent and rice by 50 percent. Even dates production dropped by nearly 18 percent.

Manufacturing industry has fared a bit better with particular emphasis being placed on import substituting industries. Data on industrial production is not available, however, and it is difficult to assess the real increase, if at all, of industrial production since 1980. Increasing import controls have undoubtedly helped local industry but the signs are that the growing shortage of funds since 1984 has reduced industrial investment allocations and many projects are now reportedly delayed.

Conclusion

In conclusion and when all the facts and data are taken into consideration, it would seem that Iran is in a

better economic position to weather a continuation of the already long-drawn-out war. Perhaps the most important factor in this respect is that Iran's population, because of its traditionally lower per capita income and the Islamic fervour of the lower income classes, is, to say the least, more used to economic hardship and thus seems more prepared to accept the increasing austerity and sacrifices that are demanded by the war effort.

Barring a dramatic improvement in oil prices to early-1985 levels, Iraq's economic viability is now more than ever dependent on the aid and loans it receives from its Gulf neighbours. But there is clearly a limit to how much Kuwait and Saudi Arabia can pay.

IRAQ AND IRAN BASIC ECONOMIC INDICATORS, 1981-1985.

IRAQ	1981	1982	1983	1984	1985
Oil production ('000 b/d)	897.4	1,012.1	1,050.0	1,195.8	1,426.8
Oil exports (\$ million)	10.4	10.1	9.7	11.2	8.5 ⁽¹⁾
Imports fob (\$ million) ⁽²⁾	18.7	19.4	11.0	10.0	-
External debt (\$ million) ⁽³⁾	10.3	19.9	26.4	55.0	65.0
IRAN					
Oil production ('000 b/d)	1,315.9	2,391.3	2,540.0	2,161.8	2,338.0
Oil exports (\$ million)	11.9	19.3	19.5	12.9	12.8
Imports fob (\$ million) ⁽²⁾	11.0	9.5	16.4	13.3	-
External debt (\$ million)	6.9	5.0	7.6	5.3	-
GDP at 1980 prices (billion riyals)	7,031.0	8,100.0	9,158.0	9,158.0	-

Sources: Oil production from Opec.
Oil exports and imports and GDP figures for Iran from IMF.
External debt estimates from Economist Intelligence Unit.

Notes: 1. Estimate
2. Imports estimated from partner countries' export data.
3. External debt for Iraq estimated to include direct loans from other Arab countries and counterpart oil sales.
4. Exchange rates of national currencies used are period average rates as reported to the IMF. In 1985 these were \$3.2169 per Iraqi dinar and 91.052 Iranian riyals per dollar.

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CONCESSION FACILITATES OPEC AGREEMENT

Nicosia MEMO in English Vol 1 No 12, 26 Aug 86 pp 10-11

[Article by Randa Takieddine]

[Text]

A surprising gesture by Iran to let Iraq be free of any specific quota for some time allowed for an agreement to be reached in Opec's latest session in Geneva on August 3rd. Talking about Iraqi output, Iranian Oil Minister Gholamreza Aghazadeh made a rather dubious statement when he said: "We will control Iraqi oil production".

Prior to the latest Opec meeting, the Iranians had maintained that their own production should be allowed to rise by two barrels for each one barrel increase in Iraqi production. With the Iranians abandoning this position, Opec members managed to reach an interim agreement for a production ceiling of 16 million b/d, this based on their October 1984 quotas. The agreement will go into effect on September 1st and will run for two months. However, since Iraq, which is not bound by the agreement, continues to produce 1.9 million b/d, Opec's ceiling in the next two months will effectively be 16.7 million b/d. In any event, even this will amount to a cutback of some 3.7 million b/d from the present production level of 20.4 million b/d.

Iran's concession is seen by many observers as the product of financial pressure facing the Islamic republic which, unlike Iraq, does not have economic backing in its war effort from Gulf countries such as Saudi Arabia and Kuwait.

Others have interpreted the Iranian move as an attempt to tell the world that Iran does not stand in the way of an improved oil market. Some analysts suggest that the Iranians might have also tried to exercise pressure on Saudi Arabia to abandon its present oil strategy of defending its market share at the expense of prices. For if the Saudis had refused to go along with the Iranian proposal it would have appeared to the world that they are behind the collapse in oil prices.

In the meantime, one factor that may influence Iranian oil policy is the recent Iraqi bombing of Iran's oil export terminal at Sirri island. The attack, which caused considerable damage to at least two tankers, has proved, if anything, that Iraq might be in a position to control Iran's oil exports, not vice-versa as the Iranian Oil minister claimed in Geneva.

Following repeated Iraqi attacks against the major oil export terminal at Kharq island the Iranians started to make increasing use of the Sirri island terminal, located in the southern part of the Gulf, near the strait of Hormuz. Because of its location, this terminal was considered as relatively inaccessible to the Iraqi airforce. It now remains to be seen what impact this new development is going to have on Opec's next extraordinary meeting, scheduled to take place in Geneva on October 6th.

Meanwhile, many well-informed Opec analysts believe there is a genuine will on the part of Opec members to implement their Geneva agreement in order to help bring oil prices up from their current extraordinarily low levels. An oil industry trader told MEMO that Arabian heavy was sold at \$5.40 per barrel at the end of June.

However, some normally optimistic oil analysts describe the structure of the Geneva deal as "inherently fragile". According to them, much argument was expended as to whether the Geneva agreement should take effect in mid-August or September 1st. A clear majority of members favoured mid-August, but Gulf producers came out in favour of September 1st, on the grounds that August nominations were already locked in.

The danger is that continued high production in August could cast a long shadow over subsequent months. And there is a hair trigger mechanism with regard to implementation: any confirmed violation by any party will mean that the "whole deal is off and the free for all resumes", writes Ian Seymour in the oil publication MEES.

Output reduction is expected mainly from rich Gulf producers which had initiated the defence of market share strategy that went out of control and brought oil prices down to \$6 or \$7 per barrel.

Saudi Arabia, Kuwait and the UAE accounted for the bulk of the increase in Opec production since December 1985. This was an increase of about 1 million b/d. If these countries are serious in implementing the agreement, Saudi Arabia must reduce its production by 1.1 million b/d to its 1984 quota of 4.3 million b/d as of September 1st. As of September, Saudi Arabia may also eliminate discounts offered to customers, industry sources say. Such discounts have ranged between 50 cents and \$1.19 per barrel.

Qatar has informed customers that they will be provided with less oil as of September 1st. Qatar is in fact supposed to reduce its output from 450,000 b/d to 280,000 b/d.

Kuwait, whose production has recently reached 1.7 million b/d has also informed customers that it is phasing out spot sales of oil. Kuwait's 1984 quota is 900,000 b/d.

However, what the UAE is going to do is less predictable. The Emirates have never been happy with their 1984 quota and one cannot guarantee that they will not initiate a little bit of cheating. This could trigger a retaliatory move by Kuwait which does not want its production to be lower than that of the UAE.

Following the Geneva agreement, many traders forecast an improvement in the price of oil in the coming months. But this forecast is indeed

very vulnerable as it is very much tied to the Opec members' seriousness in implementing the deal reached.

In the meantime, the Iraqi raid on Sirri, which put that terminal out of operation for two or three days, pushing Iran temporarily out of the oil market, already had some impact on prices. Crude oil contracts for September delivery on the New York Mercantile Exchange rose by 44 cents to \$15.35 a barrel. On the spot (non-contract market) the price of West Texas Intermediate increased by some 45 cents to \$15.35 a barrel. And the August price of North Sea Brent went up by 35 cents, to \$12.90 a barrel.

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EGYPT-JORDAN TRADE TIES WEAKEN

London AL-MAJALLAH in Arabic 16-22 Jul 86 pp 32-33

[Article: "Unsuccessful Trade Between Jordan and Egypt, Despite Encouragement by Politicians; Businessmen Seek New Ways"]

[Text] Cairo--The Egyptian-Jordanian Business Council held a 3-day meeting in Amman, the capital of Jordan. The Egyptian delegation to the meeting included 35 representatives of the private sector, headed by Muhammad Ghanim, the general secretary of the Egyptian Businessmen's Association. They held talks with 35 representatives of the Jordanian private sector, headed by Mamduh Abu Hassan, the chairman of the Jordanian Businessmen's Association.

The meeting provided an opportunity to find out the problems impeding the growth of the two countries' economic relations in the area of trade and of joint investments. The meeting also provided an opportunity to assess al-'Aqabah-Nuwaybi' highway.

Because of the significance of the meeting, it was opened by Crown Prince Hasan in the presence of a number of Jordanian ministers and prominent officials.

The Egyptian and Jordanian businessmen met in the form of three committees which discussed trade exchange issues, foreign trade activity, joint investments, and land, sea, and air transport.

The question raised is: what has been accomplished economically after the lapse of nearly 30 months since the restoration of Egyptian-Jordanian relations, rather the lapse of 4 years since the revival of economic relations between the two countries?

The answer to this question can be concluded from the reports prepared by officials of the two countries and from the viewpoints expressed by the two countries' businessmen at the negotiation table.

The meeting of the Egyptian-Jordanian Business Council came at a time when the two countries' relations have achieved a high degree of harmony. These relations have been embodied in numerous bilateral meetings between the two countries' high-ranking officials, in economic, trade, and cultural protocols

and in other agreements. Despite the accomplishment achieved, there are difficulties which have required representatives of the two countries' private sectors to exert efforts to bolster the trade exchange and joint investments. Mamduh Abu Hassan, the chairman of the Jordanian Businessmen's Association, stated that the existing administrative and objective obstacles will not vanish unless efforts are made to eliminate them and to go beyond them to broader horizons. This in itself is in total harmony with the ends and objectives for which the protocol of the Egyptian-Jordanian Business Council was concluded.

Trade Volume Is Small

Mamduh Abu Hassan also said: "The first basic fact which we must accept is that the volume of Egyptian-Jordanian trade was, by any criteria, very small until the end of 1985. The figures say that the trade volume in the years 1981-83 amounted to 4 million dinars (a dinar equals \$3) annually. This volume rose to 7 million dinars annually in the 1984-85 period, representing 0.5 percent of Jordan's total trade and a negligible percentage of Egypt's foreign trade in 1985."

Abu Hassan acknowledged that the weak trade between the two countries is not at all compatible with the agreements, protocols, and minutes of the constant meetings between the two countries' policy-makers. In 1983, a Jordanian delegation visited Cairo under the chairmanship of the Jordanian undersecretary of industry and commerce to revive trade between the two countries. The first trade protocol was also concluded in 1983 after an estrangement lasting since 1979. This protocol did not call for a specific trade volume but allowed Jordan to export a net of \$10 million in goods exempted from the Egyptian rationalization list to a specific Egyptian circle, namely al-Nasr Import and Export Company. Even though these goods enter Egypt exempted from customs fees, they do not benefit from this exemption because their final price is set at a level nearly equal to the price of similar goods imported from other countries. Thus, the customs and tax exemption turns into profits for al-Nasr Import and Export Company.

This protocol, concluded in Amman in 1983, was followed by an evident transformation in comprehensive relations between the two countries. In 1984, political and diplomatic relations between the two countries were restored and each country appointed an ambassador to the other. Jordanian Crown Prince Hasan, accompanied by a Jordanian delegation, visited Cairo where the minutes of the Joint Higher Committee's meetings were signed and a trade protocol was concluded. In accordance with this protocol, it was agreed to increase the volume of trade to \$150 million, shared equally. The private sector has been given a fundamental role in attaining this figure. There is a free trade exchange valued at \$50 million, shared equally by the two sides and with the private sector of each country allotted no less than \$10 million of this exchange. The door has also been opened for the conclusion of unlimited equal transactions between the two countries' public sectors or between their private sectors.

Abortive Cement Deal

The Jordanian Businessmen's Association chairman added: as a result of this situation, trade between the two countries in 1984 and 1985 remained very limited in comparison with the expectations and aspirations expressed in the protocol. The volume of trade could have been boosted if the \$39-million deal to supply Jordanian cement to Egypt had gone through. The implementation of this deal would have meant Jordan's importation of \$39 million worth in Egyptian goods. The sale of cement became in itself one of the pivotal points of the trade exchange and the suspension of the deal turned into an obstacle impeding the growth of trade between the two countries.

The chairman further added: in the second round of the Higher Committee's meetings, held in April 1985, it was agreed to increase the 1986 trade exchange volume between the two countries to \$250 million, with the stipulation that efforts be made to increase the figure to \$500 million in the long run. It was also agreed to increase Jordan's share of goods exported to Egypt with an exemption from the rationalization committees' lists to \$20 million annually. As for the private sector's role, the two sides agreed to permit the Egyptian private sector to import from Jordan and to make free currency remittances beyond the share concerning the rationalization committees and without setting any specific figure for the sector. However, a reference was made here to the \$10 million the Egyptian private sector is permitted to import from Jordan in free currencies.

Mamduh Abu Hassan further said: "The volume of trade between the two countries should have amounted to \$150 million in 1985 and \$250 million in 1986. But the figures in our hands tell us that the 1985 trade volume did not exceed \$20 million, or just 13 percent of the expected figure."

Proceeding from this starting point, the Egyptian and Jordanian businessmen discussed the problems impeding trade between the two countries, especially the problem of the similarity of the goods produced by both countries and the fact that the means to facilitate the trade exchange are still incapable of boosting this exchange regularly. In the transport sector, for example, we find that truck and ship traffic is irregular.

As for the joint investments, Abu Hassan pointed out that the most significant project is the Joint Holding Company with a capital of \$50 million. He said that this company is concerned with setting up varied development and industrial projects in both countries and with marketing their products at home and abroad. There is a possibility that the door will be opened for other sides to participate in this company. This decision was made during the Higher Committee's meetings in April 1985. No specific projects were defined in those meetings. But in April 1986, a number of projects were defined, namely a fishing company, a project for fodder production, a project for seed and seedling production, and a project to set up a joint contracting company through the holding company.

These are the problems brought up for discussion by the two countries' businessmen. At the end of the discussions, recommendations were made in three areas:

1. In the area of foreign trade, the recommendations focused on setting up joint companies specializing in trade affairs and seeking to bolster trade between the two countries.
2. In the area of joint investments, a call was issued to facilitate the acquisition of information needed by investors and to eliminate the hindrances impeding an increase in joint investments. The two sides also agreed to set up joint projects in certain spheres, giving priority to chemical projects and to the manufacture of agricultural machinery and spare parts. The two sides further agreed to increase the possibilities of investment in tourism and of cooperation in the contracting field.
3. In the transport area, it was agreed that Nuwaybi' Port will be provided with all vital services and supplied with mechanical cranes to be used in moving goods.

Economists view these recommendations, and what preceded them, with little enthusiasm because they believe that trade, regardless of how hard the politicians try to encourage it, remains subject to basic economic criteria, the most significant of which is the presence of purchasing power. This is something for which neither the Jordanian nor the Egyptian market is famous by virtue of the weakness of their financial capabilities. But the two sides may perhaps find possibilities for trade exchange in certain areas, such as the exportation of agricultural products and phosphate by Jordan and the exportation of light- and medium-industry products by the Egyptian side.

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UAE TRADE WITH TURKEY DESCRIBED

Al-Shariqah AL-KHALIJ in Arabic 15 Jun 86 p 7

[Interview with Tugay Ulucevik, Turkish ambassador to the UAE, by Nadya Abu Jibarah: "Turkish Ambassador to UAE to AL-KHALIJ: Our Exports to UAE Rose to \$407 Million in 1985; Turkish Food Products Have Not Been Affected by Chernobyl Plant Explosion"]

[Text] Tugay Ulucevik, the Turkish ambassador to the UAE, stated that the volume of trade between the UAE and Turkey has grown several-fold in recent years, with Ankara holding an advanced position in the list of the UAE's trade partners.

In an interview with AL-KHALIJ, the Turkish ambassador lauded the development of cooperative relations between his country and the UAE at all economic, political, and cultural levels. Following is the text of the interview:

[Question] UAE imports have undergone a noticeable drop in recent years due to several local, regional, and international reasons. To what degree have imports from Turkey been affected by this tendency?

[Answer] Contrary to the prevalent tendency, the value of Turkey's exports to the UAE has increased several-fold in recent years to more than \$110 million (407 million dirhams) last year, compared to only \$15 million (55 million dirhams) in 1980. It is evident that UAE imports of Turkish products, mostly foodstuffs, livestock, meats and varied manufactured goods, have registered constant growth, thus enabling Turkey to occupy an advanced position among the UAE's trade partners. Moreover, the drop in the Turkish lira's exchange value versus the UAE dirham and other currencies has made the Turkish goods and products, distinguished by good quality and low price to start with, more attractive. This promises an increase in the volume of imports from Turkey in the coming years.

[Question] When will the next meeting of the UAE-Turkish Economic Cooperation Committee be held and what will be the issues the committee will discuss?

[Answer] I am currently engaged in contacts with the Ministry of Foreign Affairs in Abu Dhabi to set a date for the fourth meeting of the UAE-Turkish Economic Cooperation Committee, which is scheduled to be held in Turkey. However, no date has been set so far.

This committee is also concerned with following up on cooperation between the Abu Dhabi National Petroleum Company and the Turkish Petroleum Company, in addition to discussing the areas of technical cooperation through the dispatch of Turkish experts and the organization of training courses for UAE citizens at specialized Turkish institutes.

[Question] What is your assessment of the development of bilateral UAE-Turkish relations?

[Answer] We are a part of the Islamic nation and are bound by common traditions founded on Islam and Islamic culture. We have been bound by historical ties throughout the years and we have common aspirations for world peace. All these elements have formed a strong base for cooperation between us in various areas, including trade relations. A cooperation protocol concluded in 1984 has opened the door for greater economic and technical cooperation between Turkey and the UAE. Cooperation also exists between us and the UAE Investment Authority because Turkey's stability and security situation and the presence of a law which protects the investor encourage the flow of foreign investments to Turkey. The volume of such investments has now risen to \$1.5 billion compared to \$280 million a few years ago.

Moreover, Turkish firms have implemented numerous development projects in the UAE. Gama, a Turkish firm, is currently building Umm al-Nar electric power plant, which is expected to be completed next August. Dogush, another Turkish firm, supervises the construction of Ma'rib Dam in North Yemen, which is being built at the expense of UAE President His Highness Shaykh Zayid ibn Sultan Al Nahayyan.

[Question] The explosion at the nuclear reactor in Chernobyl, the Soviet Union, has aroused the entire world's fear of the possibility of pollution in foodstuffs imported from countries affected by radiation. Has the explosion affected Turkey's exports?

[Answer] The reactor explosion occurred in the Soviet area of Kiev, which is very remote from Turkey, thus putting Turkey beyond the radiation's reach. The Turkish Atomic Energy Agency has maintained a constant followup on the developments of the Chernobyl incident and formed a special team to measure the radiation levels in all parts of the country. The continuous measurements and analyses conducted by the agency have shown that there is no radiation exceeding the normal levels in the air, in water, in milk or in other foodstuffs important to human health, thus proving that there are no grounds for fearing the consumption of Turkish foodstuffs either in Turkey or abroad.

In view of this, Turkish exports to the outside world have not been affected by the reactor incident, keeping in mind that the Turkish government has taken additional steps to reassure importers and consumers by banning the export of any foodstuffs before they are examined and certified to be free of radiation. Moreover, these exports are also subjected to tests by the importing countries. So far, there have been no reports of the discovery of Turkish foodstuffs polluted by radiation.

EXCHANGE POLICY COORDINATION SOUGHT

Jeddah ARAB NEWS in English 9 Sep 86 p 2

[Article by Doug Graham]

[Text]

RIYADH, Sept. 8 — Discussions on unifying the currencies of the Gulf Cooperation Council states centered on synchronization of exchange policies, Saudi Arabian Monetary Agency officials told *Arab News* today.

SAMA Governor Hamad Sayyari participated in the two-day meeting of the governors of central banks and monetary agencies of the Arab world held under the auspices of the Arab League in Abu Dhabi on Sept. 1. After the Arab meeting ended, the governors of the central banks and monetary agencies of the GCC met.

Upon his return, Sayyari's office issued concerning decisions reached in a closed session. "In order to carry out the instructions of Item 22 of the economic agreement reached by a summit meeting of the GCC, which seeks to synchronize policies of exchange and achieve relative stability between GCC currencies, the governors recommend the establishment of a synchronization committee which will try to coordinate exchange policies among GCC countries. This committee will give recommendations to the governors committee. The governors recommend that this synchronization committee meet periodically and be given the authority to establish any temporary or permanent subcommittees."

The agreement reached in Abu Dhabi contained the provision that: "All of these recommendations are not to ignore the monetary systems of the member countries."

This recommendation will be passed to the committee of finance ministers.

The path to a unified GCC currency will take time, one SAMA official said. "Time is the only problem. All Gulf currencies are fairly stable. Already, in some countries I find that merchants will accept Saudi riyals, for instance."

One difficulty may be in the determination of currency value. At one time, the official said, the Kingdom and most of the Gulf countries used Special Drawing Rights (SDR), based on a specified basket of major world currencies. Kuwait, however, uses its own system.

"The advantage of using SDR is that you don't need to establish an organization to calculate SDR every day. It is calculated by the International Monetary Fund," the official said. Yet even with this advantage, the Kingdom's currency has become more linked to the U.S. dollar than to SDR.

"For a period of years, the margin kept with SDR was a plus or minus 7.25 fluctuation. It is safe to say that the dollar is the

currency of intervention. SAMA decides the value of riyal against dollar not against other currencies."

The different values between the Kuwaiti dinar, Bahraini dinar, Saudi riyal, Qatar riyal, Omani riyal and the UAE dirham seldom change. "There is no real problem in valuation, because our countries have similar economic conditions."

Discussions in Abu Dhabi centered on the broader level of exchange policies rather than equalizing currencies. These policies include currency support, rates, as well as valuation levels.

In the meeting of the Arab central bank governors, the most important result, SAMA said, was the decision to narrow the focus of the yearly meetings. The permanent bureau has recommended that meetings limit themselves to one or two topics, the SAMA source said. "The next meeting will discuss trade between Arab countries. This will probably allow them more time to discuss in more detail."

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GCC DEBATES MAJOR CURRENCY REFORM

Jeddah ARAB NEWS in English 4 Sep 86 p 1

[Text] Bahrain, Sept 3 (R)--Gulf states are discussing a possible currency reform in a bid to protect their economies from wide swings on foreign exchange markets. (Related report on Page 9)

The debate centers on whether to sever the traditional link with the currently declining U.S. dollar in favor of a basket of currencies, monetary sources say.

Economists said it made sense for Gulf states to link their currencies to the dollar when it was strong. Oil revenues, the major source of income, are denominated in the U.S. currency and a constant parity rate made budget planning easier.

Central bank governors of the Gulf Cooperation Council grouping Saudi Arabia, Kuwait, Bahrain, Oman, Qatar and the United Arab Emirates discussed a possible currency reform in Abu Dhabi this week.

Of the six GCC states, only Kuwait links its currency, the dinar, to a basket of other currencies in which economists say the dollar has a weighting of perhaps as much as 75 percent.

The currencies of Saudi Arabia, Bahrain, Qatar and the UAE are officially linked to the International Monetary Fund basket of five currencies, the Special Drawing Right (SDR).

But economists say the link has been purely notional since the early 1980s and all four currencies are effectively linked to the dollar. Oman's rial has been officially pegged to the dollar since 1973.

The UAE central bank's newly-released 1985 report says it will set up a trade-weighted basket of currencies to which its dirham may be linked after a trial period.

There is a growing awareness the SDR is impractical as a basket because the weighting of its five components--U.S. dollar, Japanese yen, British sterling, West German mark and French franc--is not tailored to trading patterns of Gulf economies.

Economists say one main advantage of a system of currency baskets for each Gulf state would be to lessen speculation which has centered recently on certain currencies.

They said such a system would avoid the need for large devaluations and be politically more acceptable.

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ALGERIA

OPPOSITION MAGAZINE FAULTS MINISTERS, MILITARY LEADERSHIP

Rabat MAROC SOIR in French 21 Aug 86 p 1, 4

[Unattributed article: "Is Anybody Ruling Algeria?"]

[Text] The recent illness of Algerian Chief of State Chadli Benjdid, has heated up the "war of succession" here, where various pressure groups are at work, according to the latest edition of AL BADLI (The Alternative) Magazine, news voice of the Movement for Democracy in Algeria (MDA), the Algerian opposition group headed by Ahmed Ben Bella.

The fact is, says AL BADLI, that feuding, conspiracies, and clan warfare over the successor to President Benjedid had begun well before he was taken ill. The opposing forces in this war have now emerged without masks. "Nobody," says the magazine, "is unaware of Chadli's incompetence and lack of talent. We all know of his predilection for swimming and card-playing, and about the hours he spends watching foreign films on his VCR. He dislikes reading, and files and reports bore him. He lets his staff make his decisions for him. He has actually gone so far as to call his cabinet ministers liars. His staff has taken over, knowing their "president" as they do, and quite familiar with his horror of "philosophy and details. The truth is that he knows next to nothing about matters of state."

The MDA magazine also charges that the liberal western powers and the multi-nationals are no longer betting on Chadli, whose credibility has, moreover, been largely dissipated in the Soviet Union as well as all the rest of the Eastern Bloc since he opted for the Western sphere of influence and thereby permanently alienated the patriotic sectors of the professional and labor unions in this country."

According to AL BADLI, the Algerian president has been engaged since last year in a purge of the army, trained primarily on the "Old Guard," meaning the first-generation officers, those that fought the revolution, while calling for promotions for officers who had seen service in the French army.

This, says the magazine, is why some "dubious officers," most of them French army veterans, were promoted: Generals Moustafa Chelloufi, Lakhel Ayat, Habib Khelil, Abbas Ghezaiel, Larbi Belkhir, etc... As an ironic coincidence, AL BADLI points out that they were all promoted on the night of 13 July, the eve of the French national holiday.

That date, the magazine goes on, may be seen as the turning point that marked the beginning of the savage in-fighting within the army between the "pro-French," as they are called, and the "officers of the revolution." This far, it has, unfortunately, been the former who have gained the upper hand over the latter. The upshot is that the latter are currently banished to the fringes of the military establishment, and even the few that are still "in" now play practically no role at all.

All these vicissitudes have sapped the power and prestige of an army engulfed in its own internecine feuds. That has driven many of its leaders to indulge in the perverse delights of lying and corruption.

"The political void in Algeria has taken on unheard-of proportions," says MDA's monthly, citing an un-named informant, "is a situation pregnant with catastrophes. It can incite the people to take a lance to the abscess once once and for all... It may also spur the impatience of some adventurers in the army, or once again, rekindle the spirit of patriots concerned with the well-being of their country and its people...the present situation in this country is wide open to all eventualities."

Referring to the army, AL BADLI is moved to speak of his chiefs, of what they stand for and of the interests they serve.

The people who rule Algeria may be divided into four groups, says the magazine. The differences lie not so much in any one ideological or political "faith" or shared political views or are regional and family affinities. The closeness within any given group is not, however, flawless. It sometimes happens that one or more elements are marginally active, which is to say that they are alienated from their own clan. This is certainly to be ascribed to the absence of any program and to the lack of a common strategy. Each faction's prime concern is to stay in power, come what may.

Here is a roster of the major leadership groups:

--The first group is headed by Major General Moustafa Ben Loucif, who is not quite 50 years old. Born in Annana, like Chadli, he climbed nimbly up through the ranks: from major he rose to major-general and chief of the general staff at the Defense Ministry.

Having made the acquaintance of several influential figures in the United States, Gen Ben Loucif is famous for his stance as the most relentless advocate of diversifying weapons suppliers and of getting apprenticeship training in the uses of American technology.

Ben Loucif is, for the time being, totally absorbed by the need to maintain his position in the military hierarchy. He is the constant target of choice by conspirators. He has even been accused of stealing several tens of billions.

He is as ambitious as he is fearless, and indispensable to the Americans as well as to the Russians or whoever else makes him an offer. General Ben Loucif belongs to an eminently influential groups whose members include people like

Major General Abdellah Belhouichet, deputy defense minister and inspector general, General Khaled Nazzar, deputy commander-in-chief of the general staff, General Mohamed Atailia, regional commander, and General Lakhal Ayat, director of military security.

--The second group is in fact an outgrowth of the first. Even so, it constitutes a separate group, which has classic features of its own. The group is headed by Cherif Messadia, who is a ranking official on the permanent secretariat of the FLN Central Committee; Hedi Lakhdiri, director of national security. A large number of "TEBESSA" citizens owe allegiance to this group. "It is true that five generals, 13 colonels, 58 majors, and more than 300 captains are natives of that town...

--The third group is led by Gen Larbi Balkhir and Ms Halima Bourbka (Chadli's wife). It is made up of Gen Ben Yelles, Gen Chelloufi Moustafa, who is general secretary at the Defense Ministry, Gen Abbas Ghezal, coordinator of security services for the Presidency of the Republic, General Habib, and others. The singularity of this group stems from the fact that it holds the decision-making power, which is a roundabout way of saying that it is the government. Its French sympathies are a matter of public record. It has somehow managed to contract an alliance with the centrist group. Although it has very few members, this clan is quite influential. The driving force behind it is Bachir Rouis, who is a member of the political bureau and information minister.

This third group is in a constant state of war with the two cited above. It has almost become a tradition. It has even gone so far as to threaten physical liquidation. Sources close to these circles allege that the "decease" of Maj Haddad and that of Col Ali Azzi in a highway accident are merely fringe effects of this underground war.

It is worth noting that this group is unlike its rivals by reason of the rigor of its organization, by its continuous action, by the foreign "experts" it can call upon, and, lastly, by its hold over Chadli Benjedid. Its Achilles' heel is the absence of a "brain" of its own, and hence its reliance on "foreign experience."

--The fourth group is headed by the wildest and most dangerous of all. We are talking about Kasdi Merbah, member of the political bureau and minister of agriculture. Right beside him is General Larbi si Lacene, head of the political commissariat, General Hadras, director of the Cherchell Military Academy, General Hussein Ben Mallen, regional chief of Oran, Prime Minister Abdelhamid Ibrahimi, and Rabah Bitat, president of the National People's Assembly. Kasdi Merbah is a discreet man. He prefers to stay in the background and pull strings, pending the propitious moment for seizing power without having to share it. For the moment, he is the most influential leader. Half the members of the current government have been won over to his side. Furthermore, he has no qualms about playing the Berber card.

Kasdi Merbah is, furthermore, the man who "enthroned" President Chadli against everybody's will.

AL BADLI points out that all four groups were spawned by the army. That vindicates what Algerian historian Mohamed Harbi wrote in his last work: "War is beginning in Algeria:" "Every state has its army, but in Algeria it is the army that has its state." The groups are the army, the government, and "people's democracy." The cockfights among the four groups are encouraged to continue. All of them will loose some feathers in the pit.

Apart from these circles there are other active forces, such as the one led by Ben Khedda and Saad Dahleb, the Islamic faction, which opposes the single-party government and is out looking for new political experiments in tune with the times, says the MDA paper.

Besides all this, there is the faction headed by Col Mohamed Sala Yachoui, in the army. He is top man at the Cherchill Military Academy, which he has headed for 14 years, and in record time. In 1 year as leader of his party, he has won a large audience among young people and workers who see in him the potential for a new face and a new style of communication, as well as a possibility of dialogue with the divers and dundry political factions that are proliferating in Algeria.

These days, Yahiaoui makes no secret of his opposition to the decisions taken by Chadli Benjedid, who "has handed the country over to Western concessionaires." His views are shared by many ranking officers and by some politicians, such as Andeslam Belaid. What is worrying Chadli and his government right now is the fact that Mohamed Salah Yahaoui is in Algeria and even in constant touch with the governmental powerhouses. This situation bothers a good many leaders.

Accordingly, we may offer a rough summary assessment of the "war" of succession now being waged in the corridors of power. Beyond the pressure groups in the ruling hierarchy, we are witnessing a crisis in government, an economic crisis, and a moral crisis in this country, AL BADLI concludes.

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EDITORIAL COMMENTS ON INDIFFERENCE TO ECONOMIC PROBLEMS

Algiers ALGERIE ACTUALITE in French 31 Jul 86 p 11

[Article by Kamel Belkacem]

[Text] If you ask an Algerian today what his main current concerns are, you will come up with the following list, in order of priority:

- Where to spend his vacation;
- How to obtain housing so that he can get married;
- Meat and coffee;
- The Israelis at our western flank following the meeting between Hassan II and Peres;
- The foreign exchange account;
- The new opportunity to buy a vehicle with no limit as to make.

It is apparent from looking at these questions that Algerians have little interest in thinking about tomorrow. Neither the free fall in the price for a barrel of oil nor its troubling financial implications for Algerians seem to disrupt this peace of mind. What explains this sort of indifference to such an important issue?

Everything indicates that Algeria's financial resources are gradually dwindling away. The government will not be able for long to ward off alone the effects of economic aggression that an Arab country, acting on behalf of third parties, has initiated for reasons that it alone can justify. Solely dependent on oil revenue that has polluted our minds, we have sat by and listened to a speech that for the past 20 years has made us used to being financially supported. To the point that at the time of the last oil crisis, when its economic repercussions were announced, we acted as though it did not concern us and the crisis was someone else's problem, since in Algeria the government has always taken care of everything and, in a situation of this sort, it would be able to come up with a miraculous solution to pull us through.

Thus there is a choice to make: either we think ahead and take action or not. And then we must suffer the consequences.

In the current state of affairs, there is little chance that a miracle will occur. Wisdom recommends that we recognize that we are doing virtually nothing to correct the situation. What is worse, the impression is given here and there that the crisis is the affair of the government, which is acting like a hopeless killjoy. Oil at \$5 for the Algerians, this is only a temporary market disturbance. A world inundated with Saudi oil, our gas on a free fall, a decline in exchange reserves, all this does not seem to be of any great concern. People say: "The world is not going to stop going around."

But who is going to make the factories run, who is going to pay the farmers, teachers, physicians and engineers, who is going to finance food imports for over 20 million Algerians, when looming on the horizon is the danger of joining the fate of those countries in default and in debt up to their ears, such as Egypt, Mexico and Morocco? The IMF? The major powers? On what terms? And what do we have to offer in exchange that is more valuable than a hard-won independence, sovereignty and political and social stability envied by a number of countries?

What then can Algerians do to ensure that their government remains the sure guarantor of national sovereignty and social stability? Greater efficiency and less demagogery on the part of a powerful, ultra-patriotic minority.

Everyone agrees that the solutions will come from the mother earth, and that factories, hospitals, services, universities and schools, the media, and intellectuals could perform effectively if only.... The whole program is so ambiguous that some day it will have to be clearly defined, with courage and calm, and without always feeling that one is treading on sacred ground.

Our journalists in the field see Algeria at work, and report that the development effort is far from grinding to a halt, but is actually booming. In some agricultural, industrial and infrastructure production units, people are even learning to work nights. Unfortunately, this boom has not spread everywhere. Overall performance remains well below national capacity.

Is it true that we are suffering from an endemic disease? Double talk distorts many things. Up to now, it has been used successfully, taking in its wake our best resolutions. It is our Bermuda triangle. With the exception of certain sectors that escape the cult of immobility, bureaucratic paralysis, and the poverty of mediocracy, we would be happy to know of any APC's or enterprises that have triumphed over absenteeism and irresponsibility, thus converting the principles of the National Charter and the instructions in Circular 47 into an article of faith, a dynamic movement of a nation which no longer has anything in common with the image others have of us: a nation dependent on financial support for better or worse.

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GOVERNMENT ACTION AGAINST ILLEGAL CONSTRUCTION DISCUSSED

Algiers ALGERIE ACTUALITE in French 31 Jul 86 p 11

[Article by Kaci Aggad]

[Text] The privileged tool of land development policy, housing has always been at the center of the government's concerns. This explains to a great extent the numerous arrangements made available by the national government to citizens who want their own housing. However, although these measures have succeeded in somewhat attenuating demands for housing, they are frequently not implemented in accordance with current construction regulations.

With the support of some elected officials, a number of citizens has not hesitated to defy these laws by building luxurious homes on land restricted for agriculture. Sales of lots by private agreements have at the same time become widespread, especially in large cities. Housing has cropped up more or less everywhere, all of a sudden converting urban outskirts into overpopulated developments, with poorly designed buildings completely out of harmony with the countryside. Even worse, entire villages have been surveyed and classified as "illegal constructions." The community of "Benkhelil," built on land entirely owned by the State, is the best example of this. There are so many violations that the government will have to react strongly against the offenders. It was initially decided to destroy several houses, before passing a series of regulations specifying the terms for settlement, and the rights of the actual occupants of the public or private properties under illegal contracts or with buildings not meeting current regulations to dispose of the properties or inhabit them. One of these regulations sets forth the ways and means of reaching a final solution to all the illegal construction cases. The builders in violation must pay a fine to be fixed by an expert appointed by the government for this purpose. The same would apply to people who are guilty in the eyes of the law of having sold (at high prices) pieces of land zones for agricultural use.

What can we say today, but that the operation that was launched last summer has not been fully implemented because of administrative slowness and the inertia of certain government agencies. As the minister of the interior and local communities made a point of saying during a press conference: "regularizing the situation does not merely involve paying fines, but more importantly bringing the situation into conformity with current town planning regulations." Seventy-three APC presidents were, moreover, penalized for having promoted

illegal construction. But, the desire of citizens to straighten out their situation and their willingness to obey measures counter to them should be pointed out. Thus Mr Yala held the press conference to announce that the operation "to regularize illegal housing" would be resumed. "We want construction to start up again this summer. This will make it possible both for citizens affected by these measures to complete their homes and for the government to have the funds from this operation for its development needs," he said. To get around possible obstacles linked with the regulations, several steps were recommended, such as "going to the wilaya in the event of difficulties" (involving individuals' problems with the regulations) or when the daira commission decides on demolition.

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GUIDING STAR EDITOR INTERVIEWS LAM AKOL

Khartoum GUIDING STAR in English 4 Sep 86 pp 4-5

[Interview with Major Dr Lam Akol by Benjamin Warille in Addis Ababa]

[Text] In the last two issues of the Guiding Star we published two interviews with Major Arok Thon Arok and Major James Wani Igga. We had promised our readers that we would be serialising the remainder of the interviews with Major Dr Lam Akol and Major Yousif Kowa Mekki, both of the SPLA/SPLM.

It is our considered and cardinal belief that only through availing information to the Sudanese public can we be able to contribute effectively to finding durable solution, acceptable to all Sudanese, to our problems.

In the search for such information, the Editor-in-Chief, Mr Benjamin L. Warille, flew to Addis Ababa on August 13, 1986 to follow-up the meeting of the National Alliance for Salvation of the Country (NASC) and the SPLA/APLM. While in Addis, Mr Warille interviewed the members of the Politico-Military High Command of the SPLA/SPLM who were in the Ethiopian capital for their meeting with the Alliance. We hope the interviews will help or contribute towards the current search for peace in the Sudan.

The following are the excerpts of the discussion between Mr Warille and Major Dr Lam Akol:--

The Guiding Star: Dr Lam Akol, you are now a major in the Sudan Peoples Liberation Army. What really motivated you to join the SPLA/SPLM? There was a lot of sensation in Khartoum why you left your job as a lecturer in the University of Khartoum and defected to join this movement in the bush to be bittem by mosquitoes, maybe snakes or anything. What exactly made you join the SPLA/SPLM?

Major Dr Lam Akol: Thank you, Mr Benjamin. This is a good question because the sensation goes back to the thinking of those who are thinking this way, because the movement sprang up precisely because there are genuine grievances, grievances which has led to the people we are talking about to join the movement to see that things are corrected and the country is stopped from going down the drain. So the fact I and other people have joined the movement, people who are thought to be somehow comfortable, means that there

is really a great problem that needs to be solved. That is one point. The second point is that definitely I had political ideas which I was advancing. Most of the people knew me after the April uprising when we were engaged in politics, either through partisan politics or through the Alliance. Although some people who were close to me might not have known the underground work, the fact is that any person who has political ideas has certain political objectives to achieve. And it is a matter of the means to achieve that objective. Persuasion and trying to get things done in peaceful ways had been tried very much and failed. A person like me who had been involved in the Alliance and political activities knew very well the uprising and its slogans and the principles for which the people rose against Nimeri were being thrown overboard. The charter of the Alliance was being dismantled, one article after another simply because the TMC has arms. They were the people who worked with Nimeri, they were the generals of Nimeri, they were the people executing the war in the country. All of a sudden they came to claim that they are on the side of the people. So what I am trying to say is that they defined their objectives and the means for achieving them. We have tried and many other people have tried to see that all that people stand for, equality, justice and what we want for our country, are done through peaceful means between equals. But the way I had been observing things right from day one of April 6, 1985 up to the particular time when I left, everyday truth proved me right that those in the ruling circles, those in whose hands power is, are not interested in solving problems of the country through their own way, which they [word illegible] peaceful means. Their interest is to perpetuate their power base and subjugate our people more. This to me, whatever comfort, even if I were given the palace of Queen Elizabeth, I would still prefer to eat the "balila" (boiled grain) with our people suffering in the countryside.

The Guiding Star: Now the SPLA leadership has appointed you as the zonal commander of Northern Upper Nile. How do you assess the situation in Northern Upper Nile which borders on what you call war zone No 1?

Major Dr Lam Akol: It is true that we are bordering on war zone No 1, but it is also true that within Upper Nile itself we have many nationalities and this proves our point that the SPLA/SPLM is for the liberation of the whole Sudan. Our forces in the area have already established good working relationship with the people who are supposed to be from the Southern Sudan and the nomads who claim to be from the Arab stock. They move very freely within Upper Nile and they are now in good working relationship with our forces. Some of the ruling classes in Khartoum have tried to create discord among these people in order to portray the struggle as a racial one which we have very persistently and painstakingly proved to be false. So the difficulties which are facing us on the field are very great, but our people and our forces are always being made aware that our struggle is against the people who are oppressing us. They can use all types of weapons against us. That is a very important point. The other important point is that the population is very sympathetic with us. And as I have mentioned before, as a revolutionary movement working among the masses, without the population we cannot succeed. We have to win their confidence to our side. Hence,

though our job may appear very difficult to other people, it is made much easier by the population being very sympathetic with us. Our forces in the area are advancing quickly and you might have heard in Khartoum reports about their activities although the government in Khartoum tries to create false allegations about their successes. There was a certain story of our 500 SPLA forces crossing the river South of Kodok and that they were attacked by certain government forces coming from Wau. This story does not hold water because definitely in that particular area we do not move in such big numbers.

The Guiding Star: You have been instrumental in the SPLA/SPLM and the Alliance meeting. It is said that the meeting removed some of the obstacles on the way of holding the constitutional conference. What is your opinion?

Major Dr Lam Akol: First of all we must stress the fact that the relation between the movement and the Alliance has been built over a period of a year now and this by itself is removing most of the obstacles towards solving the problem because I lived in the Sudan by the time when these contacts started. One could see the degree of intimidation against the people who were involved in the peace process. I am saying that one could see the degree of pressure on the Alliance to abandon the peace process. Coming together of the SPLA/SPLM with the Alliance is itself a very big success. The other point is that the SPLA/SPLM and the Alliance are committed to the spirit and letter of Koka-Dam declaration. This discussion which took place was not to renegotiate Koka-Dam. It was to see the degree of the progress and implementation of the Koka-Dam declaration. Definitely many ideas and fruitful discussion took place to see the implementation of Koka-Dam declaration. Both the SPLA/SPLM and the Alliance are committed to see that the provisions of the declaration are implemented. Of course there is a factor in that exercise, that is the implementation of the declaration involves the government of the day. So both sides expressed the view that not much has been done and if the government of the day is interested to hold a national constitutional conference then it should speed up the process of implementation of the Koka-Dam declaration. But if it fails, then the SPLA/SPLM and the Alliance will not stop there because both of us are committed to achieving the lasting peace in our country.

The Guiding Star: It is assumed that a professional like yourself, an engineer, a lecturer in the university, living comfortably should forsake all the comfort to live under the rain to be bitten by mosquitoes is not comprehensible.

Major Dr Lam Akol: There were a lot of illusions. People thought that this movement arose because some people have personal grievances. That those who are here are those who have no employment. Even Khartoum government says those who lost elections were the people who came to join the movement. I would like to assure everybody that most of all the people who are here in the movement were living comfortably. I can even mention names here. Our leader, Dr John Garang himself, in addition to being the head of

research division in the army, was the advisor on cooperatives. He was a lecturer in the University of Khartoum. All these jobs secured for him enough money and enough respect which not many people enjoy in Khartoum. Comrade Arok here who was in the army was comfortable, he was being a major in the army enjoying a lot of privileges. Comrade Yousif Kowa here was in the Assembly. He was deputy head of the Assembly Body. He was comfortable. Comrade Major James Wani here was a deputy director of insurance company in Juba where his life was insured. He was comfortable besides earning a fat salary. Captain Atem Yaak here was a senior person in the Information Department whether in united South or divided South. George Maker Benjamin here was Assistant Commissioner for Information. He was a senior man. Isiah Chol here, a first Lieutenant in the SPLA now, could have been a major in the Sudanese army. He was the clerk of the Assembly in Upper Nile, very senior post. So the fact that the people know my qualifications, they know my position through my public life while I was in Khartoum, does not mean that I am the only professional man in the SPLA/SPLM. In the field now is Dr Riak Macar, for an example, is an engineer and was a lecturer in the University of Khartoum. There are so many people in the movement I can count just to stress the point that I am not the only person who is qualified or who was comfortable, just by mere chance that they happened to know my activities in Khartoum. I would like to assure everybody that the people here in the movement left not because they were lacking anything. They left because, and genuinely so, that there are real grievances and problems in the country which needs to be solved. And since they could not be solved through peaceful methods, people took up arms in order to bring about peace.

As I was saying, I could go on to infinity counting people who were enjoying comfort and who have now joined the movement. This by itself is an indication that there is a great problem which needs to be solved and facing big problems like the problems of the Sudan need sacrifices. We have abandoned those comforts and come to fight so that the coming generations may live in peace and in comfort which we are talking about now. Another point which I would like to stress is that by taking up arms it does not mean that we are war-mongers or we took up arms to kill people. This is not at all the objective of the movement and people like us who are educated as you have described could not possibly accept the idea of picking up arms just to kill people. We picked up arms in order to solve the problem and to bring about lasting peace. So the armed struggle is a means for achieving objectives which will finally consummate into permanent peace in the country.

Finally I would like to reaffirm again that the SPLA/SPLM is a nationalistic movement which is fighting for the unity of the Sudan. Fighting to bring about equality and justice for everybody, regardless of his origin, regardless of his religion and regardless of his sex. This is number one. Secondly I would like to say that we are all fighting with the other mass movements in the country for the same cause. We are all in the same trench but using different methods. It is important that we should understand one another very well and get our priorities right. The armed struggle and the mass movement have been complimentary throughout our history. In 1964 General Abboud was overthrown as the result of the armed struggle in the South and the movements in the streets of Khartoum and Omdurman was over-

thrown as the result of the armed struggle waged by the SPLA/SPLM and the mass movement in Khartoum. The movements in 1964 and 1985 did not achieve their objectives. And this was not by accident. This happened because the two means of the struggle did not come together after the success of the overthrow of the regimes. What I am saying is that we must come together, we must converge so that we put a quick end to the suffering of our people. You see we have gone a long way in this process. We have achieved Koka-Dam despite all the forces which are against peace. We must stick to Koka-Dam. Those who think they can operate outside Koka-Dam, those who think they can create their mini-conferences, these are the enemies of peace. And all of us are bound by our national responsibilities to confront them and eliminate them.

The Guiding Star: Finally it is said that your movement is against Arabs. The point that the majority must rule is being interpreted to mean that you want to drive the Arabs out of the country. What is the truth?

Major Dr Lam Akol: Well, that is a very good question because as I have just mentioned, ours is a nationalist movement fighting for the unity of the Sudan. And as you know the Sudan is a multi-cultural and multi-national country of which the Arab element is a factor. We shall be doing injustice if we rose to correct mistakes and then do the same to other people. After all these people who are Arabs in the country did not come from outside the Sudan. This propaganda was used extensively in the Arab world by the TMC when it was shopping for arms in the Arab world. They went on to say that the SPLA is against Islam and against Arabism. We want to assure the Sudanese people and the world at large, that far from that we would like to create a new Sudan in which all the nationalities will have to come together. All the cultures will have to be integrated, whether it is Arab culture, Zande culture or Latuka culture, Dinka culture or whatever. All these cultures are to come together to form a new Sudan. This is principle number one of the movement.

Regarding majority rule in the country, we never really talked of majority because majority is a relative thing. We talk of consensus. Consensus of all Sudanese to agree on how to govern themselves. This is what the movement has been calling for. We don't talk of majority in terms of race or religion because we are offering the best solution to the religious and nationality question. If we favour one nationality or race against the other, then we are bound to go into the same vicious circle which we are trying to avoid. In fact that claims back the question.

Regarding Arabic as a language and Arab culture, we have nothing against Arabism. Arabic is one of the languages in the movement. Even some of our programmes are in Arabic. So there is no way you can eliminate the Arabic language from the Sudan. In the same way you cannot eliminate the Arab culture from the Sudan. So all these claims, as I have said before, are being used for political reasons. The TMC sold it to some Arab countries in order to get arms. We are happy to take this opportunity to correct this misconception. We are fighting against injustice. We are fighting

against oppression. We are fighting against neo-colonialism which do not have colours. Some of the people we are fighting on the battlefield are Southern Sudanese. They are not Arabs. If we were fighting a religious or racial war, we would have chased the Muslims and people of Arab origin away from our ranks. Dr Mansour Khalid, Hashim Abu Bakr are Northerners. Major Yousif Kowa Mekki is a Muslim and member of the High Command. Malik comes from the Ingessina. All these people could not have been in the movement if such policy was being followed. End.

Look out in the next issue of the Guiding Star for the interview with Major Yousif Kowa Mekki.

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CSO: 4500/2

IRAQ

SADDAM HUSAYN CHAIRS RCC, BA'TH PARTY MEETING

JN081904 Baghdad INA in Arabic 1810 GMT 8 Sep 86

[Text] Baghdad, 8 Sep (INA)--President Saddam Husayn presided over a joint meeting of the RCC and the Arab Socialist Ba'th Party Regional Command here tonight. The conferees listened to a report by the Iraqi delegation to the eighth nonaligned summit in Harare. They expressed their satisfaction with the results of the conference which clearly underlined the Nonaligned Movement's unanimous desire to end the Iraqi-Iranian war and establish peace according to the movement's principles and international law as emphasized by the heads of delegations in their speeches to the conference, by conference deliberations, and by its political declaration.

The conference deliberations and results have also clearly indicated the Iranian regime's overwhelming isolation in the Nonaligned Movement and the failure of its attempts before and during the conference to prevent the movement from discussing the war and from calling for peace. The nonaligned countries' respect for Iraq's positive role and appreciation of its stand urging a just peace were also confirmed during conference deliberations.

The joint meeting of the RCC and the Regional Command also expressed satisfaction with other conference results regarding the main topics discussed and on which resolutions were adopted.

The military situation at the battlefield and the successful military operations of our armed forces in crushing the recent Iranian attempts at aggression, as well as our armed forces' high preparedness to crush any other attempt the Iranian enemy might dare to undertake, were also discussed during the meeting.

/8309

CSO: 4400/1

INFORMATION MINISTER COMMENTS ON GULF WAR

PM190935 Cairo AL-AKHBAR in Arabic 15 Sep 86 p 6

[Fathi Rizq report: "Iraqi Information Minister Praises the Attitude of Egypt's Leadership and People"]

[Text] Baghdad--Iraqi Information Minister Latif Nusayyif Jasim has commended the Egyptian people's attitude and support for the Iraqi people in their defense of their national soil and the Arab nation's eastern gate against Iranian aggression. In an exclusive statement to AL-AKHBAR he said: We in Iraq address our thanks to the Egyptian people, political leadership, government, and institutions for supporting Iraq. This, he said, is not something new from the Egyptian people, who have always been in the front lines in the Arab nation's battles and whose position has always been crystal clear.

The Iraqi information minister said that the Arab situation and conflicts have prevented the implementation of the Joint Arab Defense Pact and Arab League resolutions. He added that Iraq strongly deplores the attitudes of the Syrian and Libyan regimes and the position they have taken on the Iraqi-Iran war.

He noted that the serious escalation of the Iraq-Iran war has reached the stage of striking cities and shelling innocent civilians in such Iraqi towns as Basra and Baghdad and has reached the point of killing handcuffed Iraqi prisoners. He pointed out that Iran has killed Iraqi prisoners of war after handcuffing them and placing them in cages on the Karbala anniversary and has struck towns with missiles supplied to Iran by Libya at a time when Iraq only hits economic targets.

He added: If Iran takes any crazy action we will use all our deterrent means to destroy Iranian capabilities inside Iran itself.

He said that Iraq has no ambitions in Iran and it seeks arms in every possible way in order to defend itself. He added that the whole world knows that we want peace and that Iran wants the war to continue.

The Iraqi minister noted that even the states which support Iran such as Syria and Libya could not take Iran's line in their speeches [at the nonalignment conference] and that the Iranian president left the conference a disappointed man after the conferees received his speech about continuing the war with complete silence.

He also said: The fact which Iran, the Arab and Islamic worlds, and the world at large--east and west--know is that we have no ambitions in Iran at a time when Iran daily announces elaborate plans for the occupation of Iraq. I want to say that we try to convey the facts to the brothers everywhere to allow no interaction between the trenches of Arabism and the trenches of aggression. This matter is of paramount importance for pan-Arab issues of destiny because the occupation of any Arab territory is just the same as the occupation of any part of Palestine. Arab territories and Arab blood are equally important. A Muslim should not kill a fellow Muslim but Khamene'i has deliberately killed in holy months and has killed prisoners on the Karbala anniversary.

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CSO: 4400/1

JASIM INTERVIEWED ON WAR, IRANIAN OPPOSITION

JN181308 Kuwait AL-ANBA' in Arabic 16 Sep 86 p 23

[Article by Sa'dun Salman]

[Excerpts] Baghdad--Iraqi Culture and Information Minister Latif Nusayyif Jasim has asserted that the war will never end in Iran's interests in any way and the conflict will not be solved except through the peace principles which President Saddam Husayn enunciated in his five-point plan, otherwise the war will be prolonged and Iran will suffer immense losses and thousands of casualties. In a statement to AL-ANBA', Jasim added: We believe that eventually the war will be decided in our favor and that Iran will be defeated. Our victory will mean preserving our independence and keeping our banner high, and that we will have our free political choice and evil will [be] buried on our border.

On the Jordanian mediation between Iraq and Syria and the continuing Syrian-Libyan-Iranian alliance, he said: The mediation did not bear any fruit and the Syrian-Libyan-Iranian alliance is a strategic one. He said that there is no mediation between Iraq and Iran at present and the principles enunciated in President Saddam Husayn's message are regarded as a suitable basis to end the war at all times. He said: When the Iranian rulers resort to logic and reason they will find these principles to be just bases for an honorable peace between the two countries.

Answering a question on the recent Pakistani stand in support of Iran, he said: When we have political observations to make to such states we do not make them through the media but through diplomatic channels.

Jasim said: We say that this year will be the year of decision now that the Iranians have abandoned this slogan. Our military, psychological, moral, economic, political, and media position is better than at any time during the war. In our opinion, a decisive end to the war means an affirmation of Iraqi independence and sovereignty, that aggression will cease, and that the Iranians will live free on their territory and we live free on ours in the way we choose. That is what we mean by a decisive end and a victory. We have always longed for peace but when the other side rejects peace the alternative of defending our land becomes legitimate. We will defend our country regardless of the sacrifices.

On Iraq's position toward the Iranian opposition, Jasim said: We give the Iranian opposition large scale assistance in the information field. This opposition has radio stations and other media to affect the Iranian regime. However, the state media are not like the opposition media. No matter how important the opposition, it will always be represented by individuals and not by establishments. It has no territory or prospects for movement. Accordingly, the Iranian opposition media is generally good and effective.

We also extend to the Iranian opposition all forms of assistance without interfering in the details of their internal affairs. They are free to do what they want.

The Iraqi minister thanked Arab media which adopted an honorable, honest position during the war in Iraq's favor. He praised all the Arab writers who played a distinguished role in supporting Iraq, particularly in Kuwait and the Gulf in general. He also praised the Jordanian, Egyptian and the Arab Maghreb media.

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CSO: 4400/1

OIL EXPORTS TO PAKISTAN

London MEED in English 20 Sep 86 p 20

[Text]

Talks about resuming oil exports to Pakistan will begin in October. Baghdad has indicated it will use the oil to pay for imports of cotton, textiles and rice. Imports from Pakistan are running at about \$10 million a year; exports have dropped to below \$1 million annually. Pakistan has lifted no oil since the start of the Gulf war, when offshore oil terminals were damaged.

Discussions will also centre on the question of delayed payments, which are reported to amount to \$50 million-100 million, Pakistan's Planning & Development Minister Mahbubul Haque says. Pakistani companies are mainly owed money on construction and labour supply contracts.

Baghdad continues to be interested in the services that Pakistani companies can offer, particularly in agriculture, the main area of involvement in the past.

Mechanised Construction of Pakistan has been responsible for land reclamation on the South Ruz, Dalmaj and Khalis schemes; **National Construction Company of Pakistan** is still working on the Ishaqi irrigation project. Designs for the Rumaitha and Zubair irrigation schemes, and the Euphrates East drain, were drawn up by **National Engineering Services (Pakistan - Nespak)**.

/9317

CSO: 4400/10

COST OF LIVING IN SETTLEMENTS, ISRAEL COMPARED

Tel Aviv MA'ARIV in Hebrew 4 Jul 86 (Supplement - "Weekend") pp 6-8, 10

[Article by Aviva Metz: "Not 5 Minutes, Not Half-Price; No Basis for Slogans That Judea and Samaria Settles Receive Free Housing and Are 'Parasites Living at the Expense of the Public;' Life in the Territories More Expensive and Less Comfortable; Apartment in Ari'el Costs More Than in Qiryat Gat; Higher Cost of Living; Inconvenient Transportation; Less Developed Infrastructure; 'Free Settlement' Myth Is a Publicity Stunt With Believers; Used by Politicians Who Find It Hard To Digest Reality"]

[Text] Rina and Nisim Mor, a young couple with two children, moved from central Israel to Qiryat Gat a year ago. They had bought the apartment 2 years earlier from a private contractor. Relatively larger-than-average apartment, 85 square meters. At exactly the same time, the Kohen family moved from Bat Yam to Ari'el. They are also a young couple with two children. Their apartment is somewhat larger (98 square meters) with a small yard. "Nothing special, here everything is simple," says L. Kohen. The Mor and the Kohen families did not have their own apartments before in central Israel, and were entitled to aid from the Housing Ministry (mortgage, standing loan, and additional loan).

Rina and Nisim Mor's apartment in Qiryat Gat is now worth some \$35,000. The apartment of the Kohen family in Ari'el is worth \$54,000, more than 50 percent difference. Contrary to popular opinion, the aid received by both families from the Housing ministry is identical--39,000 New Shekels (\$26,500). Therefore, the Qiryat Gat settler only has to pay one-fourth of the price of the apartment, while the Ari'el settler must pay one-third. "Apartments here are cheap," says Rina Mor of Qiryat Gat. "Education is good and quality of life is good. Actually, we did not think we could buy an apartment, but we found out we could meet the conditions here. We never considered buying an apartment in the territories." What has brought the Kohen family to Ari'el in Samaria? "Our considerations were only financial," says L. Kohen. "We are not religious, not even traditional. There is no ideological consideration behind our decision. We only wanted to have our own apartment in the center of the country, since both my husband and I work in the area."

This gap unfavorable to the settlers in the territories exists not only between Qiryat Gat and Ari'el, but also in other places we have checked.

Apartment prices in Judea and Samaria are not cheap, and at times even more expensive than in more than a few urban centers behind the Green Line. While the gap between the prices in Judea-Samaria and the edges of the Dan bloc favors the former, it is far from the "half price" of legend. A square-meter in the Hadarim development of green Kefar Saba costs an average of \$510. In Petah Tiqva it is less--\$490, and in Qiryat Gat an average of \$422. In Ari'el and Ma'ale Edumim the average is about \$500, 20 percent more than Qiryat Gat!

This calculation is based on the apartment prices given by the construction companies (see table). From time to time, the Housing Ministry offers cheaper prices. Discounts are limited to 1-2 months and apply not only to Judea and Samaria but also to the development towns. Advertisement gimmicks like "Pay \$3000 and the Apartment Is Yours" lead one to believe that the apartment is sold for next-to-nothing, which is not the case. This is only the first payment. After calculating the mortgage available to the buyer (based on personal data and the type of location--identical criteria for the territories and the Green Line area), he may find out that he may have to spend a good few additional thousands of dollars before he receives the key. None of the above is specified in the loud ads which, for various reasons, put more emphasis on the Judea and Samaria area, hence the source of the illusion and deception.

The ideology of settling the territories has given birth to a myth not based on facts, which brings together politicians from the left and the right. The left parties cling to accusing the government of uncontrolled financing of the settlement in the territories, while the right argues that the financing is not sufficient. Each side tailors the facts according to its views, in favor of its own arguments. Shlomo Bahbut, council head of Ma'alot Tarshiha, complains each time the development towns are discriminated against. Ron Nahman, council head of Ari'el, argues that he fights for every cent and must improvise all the time because of budgetary problems.

The Samaria settlement has been given the image of "5 minutes from Kefar Saba," and "Everything is given free." We have already mentioned the high price of the "free." As for the distance, one does not mention travel time from Tel Aviv to Kefar Saba. Actually, it takes just as long to travel from Tel Aviv to Ari'el as it does to Qiryat Gat--over 1 hour, with one difference: The road to Ari'el is tiresome, running through difficult terrain, winding among Arab villages. The route to Qiryat Gat is a safe two-lane highway. "Five minutes from Kefar Saba is demagogy," says KM Yig'al Kohen-Orgad, resident of Ari'el, "what is important is the conditions in the area."

People in Ari'el think that the conditions in the area are difficult. "Living is very expensive here," says L. Kohen, "the residents have figured it out that their living cost rose by 30 percent since they first arrived here. For example, using public transportation is killing us. It is exhausting and expensive." Ron Nahman adds: "We lack public services for the common welfare. There is no first-aid station. A bank branch was only opened this year. Everything is done through local volunteer motivation. This is the pioneering of the eighties. Anyone who comes here must know what is awaiting

him. Life here is quite difficult contrary to popular belief. I have never said it publicly, since I did not want to discourage people and hurt our image. But now I have nothing to lose. It is important that everyone know the truth. I accuse the members of the government (which ones? They know already) of mouthing empty slogans, relying on baseless facts, and attempting to put a stigma on the new settlement in Judea and Samaria for their own political purposes."

Not everyone on the left falls into this category. KM Hayim Rimon, for example. "I am not surprised that apartments in Judea and Samaria are expensive compared to apartments 'here.' Construction infrastructure in those areas is more costly. I consider the myth that everything there is free and/or cheaper is simply untrue." He is an exception. KM Shulamit Aloni, on the other hand, does not agree with our findings. "It cannot be true," she says. "One should examine other items. First of all, the people who live in the territories are nonproductive and live at the expense of the public." Who, for example? "Beni Katzover, for example. He is a government employee who has time for demonstrations at the expense of the taxpayer. Besides, how many teachers are there over there? There is one teacher per 12 students. Is it the same in Tel Aviv?"

A check in Ari'el shows that the average of pupils per class is 34, not unlike anywhere else in Israel. 'Adi Hershkowitz, who is in charge of Education Ministry budgets, says that the settlements do not have preferred status in the ministry, and each child receives a class and a teacher according to need and not geographic location. Inside the Green Line, "There is one teacher per at least 10 students, and everyone accepts it, regardless of place of residence," he adds.

Nor does KM Yosi Sarid believe that everything is not given free or almost free in Ari'el. "These findings are groundless. It cannot be true," he rejects our check. "The people there live like leeches at the expense of the public, and the government keeps giving them money endlessly. Read the Benvenisti Report. It says it all. As for the point itself, construction in Ari'el in my opinion is unnecessary, so that the high cost, if it exists, is marginal."

Dr Meyron Benvenisti, author of the above report, is the oracle of the opponents of settlements beyond the Green Line. The right side of the political map discounts him, but Benvenisti himself admits that it is hard to obtain hard data from the government as to how much they allocate for Judea and Samaria. "I work according to the findings of the state comptroller and receive data through the finance committee of the Knesset." Not directly, of course. Members of the committee help him. He "plants" questions through them to ministers and senior officials who are forced to answer. Even then, the data are not always accurate.

The Housing and Construction Ministry spokesperson confirms that the ministry does not have a separate budget for Judea and Samaria. "There is a general budget for roads, and if you ask how much was allocated for Judea and Samaria, it becomes necessary to separate and figure out each road which is somewhat

complicated," says 'Aliza Goren. The same thing is reported by the Education Ministry. There is no special budget for Judea and Samaria.

It is hard to smash myths. Even the supporters of the settlement were sure that Judea and Samaria was a goldmine for the settlers. "I am sorry this is not the case," says KM G'eula Kohen, "I think that housing over there (Judea and Samaria) should be cheaper. If the government wants to encourage settlement in Judea and Samaria, it should subsidize it." David Magen, mayor of Qiryat Gat, is surprised to hear that apartments in his town are cheaper than those in Ari'el. "I always thought this was not the case," he says. "On the other hand, I know that all the benefits given development towns are also given to the settlements in the territories." Does he also think that settlement in the territories is at the expense of the development towns? "Definitely not. I see them as part of the development towns and according to my outlook they should have priority over us. I can say with certainty that after 2 and a half years of freeze in Judea-Samaria settlement, nothing has happened in favor of the development towns. We have the same freeze. This, then, is not the source of our problems. One should look for the root cause elsewhere."

The root cause is not found in the system that awards "benefits" to the settlers. Here, too, there is no ideological preference but only bureaucratic order, priorities, and clear criteria for determining who is entitled. All of this varies completely throughout the country, on both sides of the Green line. "Privileges for the Judea-Samaria settlers is a myth everyone waves," says Moshe Benita, who is in charge of prices and assets in the Housing Ministry. "From our standpoint, in order to receive benefits one should meet certain personal criteria." The calculation is based on military service, number of persons per family, young couple without housing, disabled veterans, etc.

As for the price of apartments, Eli Netef, the outgoing general manager of the Housing and Construction Ministry, says: "Those who move to Judea and Samaria are not a potential for the development towns. The settlement in Judea and Samaria is based to a large extent on the assumption that the person who, for example, moves to Ari'el, will continue to work at his original job. This is an urban population from the center of the country, who instead of buying an apartment in Ramat Hasharon buys one in Ari'el. This is why apartments there are somewhat cheaper than in the Dan bloc, but definitely not by a lot."

"Many people seek to manipulate the facts," says KM Yig'al Orgad. "There is great importance to the fact that there is no basis for the myth they try to inflate, as if the settlements in Judea and Samaria enjoy financial preference compared to localities inside the Green Line. I am not surprised prices in Ari'el are higher. The development infrastructure is more expensive. The terrain and the access are difficult."

KM Shulamit Aloni clings to the argument that the settlers in Judea and Samaria are entitled to unlimited mortgage everywhere, while localities within the Green Line only get a mortgage in a limited area [sic]. Moshe

Benita of the Housing Ministry denies this argument. "This is not true," he says, "in Qiryat Gat it is also unrestricted, as happens in all the development towns."

It is hard to smash myths. It is equally hard to argue with them logically.

Table on page 7

APARTMENT PRICES IN JUDEA AND SAMARIA AND INSIDE THE GREEN LINE

Settlement:	Ari'el		Ma'ale Edumim		Qiryat Gat		Kefar Saba		Petah Tiqva	
Apartment	Area	Price	Area	Price	Area	Price	Area	Price	Area	Price
3 rooms	75 sqm	38	75 sqm	38	75 sqm	35	79 sqm	41	83 sqm	41
	81 sqm	37			84 sqm	36				
					84 sqm	32*				
4 rooms	95 sqm	47	90 sqm	43	95 sqm	41	96 sqm	48	118 sqm	63
	90 sqm	42			117 sqm	48				
					110 sqm	39*				

Data provided by the following construction companies: Rasco and Avrahami (Ari'el); Shikun and Pitu'ah (Ma'ale Edumim); Shikun 'Ovdim, Yitzhaqi-Plentzer, Neve Schuster (Qiryat Gat); Yuval Gad (Kefar Saba), and Meshhav (Petah Tiqva).

* Prices change according to the construction company.

[Box, p 8]

The Myth Was Born Gratuitously

The origin of the myth "settlement for free" should be searched at the end of the Six Day War. In September 1967 Prime Minister Levi Eshkol said: "The government should allocate funds for the needs of the new settlements in the liberated territories." That same year the first settlers settled in the Etzyon bloc. The government at that time and those that followed it continue to do what they called "thickening the settlements." The term was coined by the Likud government after the 1977 election.

"It did start for free," says Dr Meyron Benvenisti. "The Zionist Federation put up free prefab boxes or "caravans" for anyone who wanted them. Over the years the infrastructure was built, the settlements were connected to the electric and water system, roads were built. This paved the way for future settlement. For those who followed, it was easier and cheaper. I think that in our minds we are still under the impression of that period."

Ya'aqov Levi, director of Israel Gallup, a public opinion poll institute, thinks the myth has fallen upon fertile ground. "A heroic atmosphere was created among the public, of renewed pioneering and national challenges that were lost somewhere between the wars," he says. "There was a feeling that was the right thing to do. New dreams of a private home and a piece of land

were born, and, especially, misleading the public with what is known as '5 minutes from Kefar Saba.' People did not check it out. They became the captives of a dream."

Dr Yariv Ben Eli'ezer, mass communications specialist and lecturer at Tel Aviv University in the motion picture and television program, says unequivocally: "This is not a myth, this is a well-known sales technique based on the fact that a low price attracts those who decide to buy. He thinks that the territories in Judea and Samaria should be settled at maximum speed, and the fact that ideological "volunteers" were not found in sufficient numbers gave birth to the sales method of "5 minutes" and the stressing of additional economic benefits.

There is also an economic motive in moving to Judea and Samaria. People have bought there a second apartment for investment purposes (and benefited from renting the first apartment in central Israel), based on the Yamit precedent," which, according to Ben Eli'ezer, is "an investment that will pay off in the long run, when political steps are taken to evacuate."

This is an unfounded myth. Meyron Benvenisti believes that an evacuation is no longer possible. Even if the Yamit precedent is repeated, no goldmine is assured the settlers. Housing and Construction Ministry Legal Adviser Tzipora Biran points out that the settlers' contracts do not include a clause protecting their investment in case of evacuation for political reasons. If the government chooses to compensate them, there will be a need for a special law to define their rights.

The politicians too have more than a small share in creating the legend. "Decency and political honesty are rather nebulous terms in our political milieu," says Ben Eli'ezer. "There is a huge rupture between the political and the executive bodies. The political body does not always know what is happening out in the field. And even if it knows, it prefers to cover up for the executive body as long as it serves its political ends."

No one blamed the media this time.

[Box, p 10, top]

"'Aley Zahav," A Great Deal of Money

A private home in Samaria--a small dream. Amnon Hirsch, secretary of the communal settlement 'Aley Zahav, thinks it is very unfair propaganda against the settlements in Samaria. 'Aley Zahav is located south of the road that crosses Samaria, 1 hour from Tel Aviv. "It is not 5 minutes from Kefar Saba, but rather 12 hours from New York," Amnon laughs, "and that makes all the difference. Our private home in their first stage are "caravans," with no electricity and telephone. The only telephone is a radio transmitter, at the council. Life here is very difficult. No miracles. Building a house is like anywhere else, only harder. No one lets you live in peace. They keep telling us all the time we such the blood of the state."

What is the actual cost of building a house? "A house between 100 to 146 square meters costs between \$45,000 and \$61,000." The "Build Your House" type building is individualized according to the needs and means of the settler. So it is hard to determine how much it costs. Mortgages? "We get a mortgage from the Housing Ministry, less than Ari'el, for example," says Hirsch. "We are in a C Zone, which is entitled to less benefits than a B Zone" (for a limited period 'Aley Zahav was in a B Zone).

Alon Moreh is located on Mount Kabir, 10 km east of Nablus. "An hour and a half from Tel Aviv and an hour and a quarter from Jerusalem," says Eli'ezer Weinstein, internal secretary of the settlement. "We are a communal settlement in Samaria with 100 families. All sorts of contractors came here, scattered prefab cubes in the area, and we have private homes. There are also apartment houses built according to the same method, four apartments per house." The average area of the "private homes" in Alon Moreh is 60 square meters, and the average price is between \$35,000 to \$40,000. "Of course they can be expanded, each one as he sees fit, but it costs a fortune," says Eli'ezer Weinstein. "A unit I have added to my house has cost me at least an additional \$20,000."

So why did they come here? "Not because we thought it was cheap and easy. If not for ideological reasons, we have nothing to look for here. Life is very difficult. Everything is distant and hard to reach." Mortgages in Alon Moreh are given to families according to the priorities of the Housing Ministry-- Priority A for the mountainside settlements. "The mortgages here are somewhat higher than elsewhere, but one has to pay back a mortgage, it is not a gift, and it is very difficult," says the settlement's secretary.

Ginot Shomron is an urban settlement with 350 families, both secular and religious, real coexistence. Most of the homes here are shared, simple prefab homes with "an inferior finish," says Moshe Basa, the local secretary. "Not only are the apartments here expensive (\$38,000 to \$40,000 per unit), many other things are too. Our municipal tax, for example, is higher than Hertzliya." Private homes? We have a section of private homes. "Build Your House," with an average price of \$80,000. This is very expensive, but the house is large. The mortgages here are like most of the Judea and Samaria settlements, according to the B Zone criteria, which is also the case in most development towns." This means up to 39,000 New Shekels (about \$26,000), as, for example, in Qiryat Gat.

[Box, p 10, bottom]

The discussion about diverting funds for the territories at the expense of the development towns is not the exclusive domain of the left or the right. Two ministries controlled by the Likud are at loggerheads over it. Recently, the finance committee of the Knesset approved a \$0.25 million publicity budget for the Labor and Welfare Ministry's center for settling development towns. Under the heading "Settle the Land," the center publishes ads in the papers seeking to stimulate the settling of communal settlements in Judea, Samaria, and the Gaza Strip, as well as development towns inside the Green line. The Housing and Construction Ministry is angry. Those in charge of settlements argue that

most of the money is earmarked for Judea, Samaria, and the Gaza Strip, and only a small portion to the development towns. The center people deny the charge, and allocate at least 60 percent of the budget to the development towns.

The discussion transcends the budget. It is a quarrel over authority. "We would be very glad if the Labor Ministry concentrated on its own business, namely, employment, and did not deal with something out of its jurisdiction, such as settlement, which is our speciality," says Eli Netef, the outgoing general manager of the Housing Ministry. "Wherever there is employment, all the other things come about, but not the other way around. One cannot offer people housing without local employment. This is precisely what the Labor Ministry is trying to do. No one empowered them in our name to provide information. We know very well how to take care of our affairs. They are not up-to-date about loans and conditions. We do not tell them about our plans, they do not sit in our committees, they are not an integral part of the system, and the double work is a pity."

Zohar Gindal, director of the center, says: "It is true we are not in charge of the policy of other ministries. We do not sign a contract with the family, but since there is a great deal of red tape we try to make the transition easier."

"This is ludicrous," replies Netef. "When they take care of something they are not supposed to take care of, they add red tape, rather than reduce it. Why was that budget approved for them in the first place? In the past, when we engaged in such operations, we always went to the contractors, and the publicity was at their expense, not at the expense of the state."

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CSO: 4423/120

AD CAMPAIGNS GEARED TOWARD ULTRA-ORTHODOX FAIL

Tel Aviv YEDI'OT AHARONOT in Hebrew 4 Jul 86 pp 27, 29

[Article by Shoshana Hen: "With Divine Knowledge: Let Me See You--You Look Familiar; Ultra-Orthodox Advertisement--Another Language, Different Rules--Background Material of Poster Media Opponents; Shoshana Hen Describes the Operation: 11 Agencies, Campaigns "From the Hip," Posters, Word of Mouth Information; Seno, 'Elit, and 'Asis Ads Look Different; Profile"]

[Text] Last Passover Eve the Sheqem monthly published an ad for Kiddush wine, approved by the Hatam Sofer circle. The ad shows a Jewish family around the Seder table. A proper religious mother and her children listen to father as he chants the Kiddush over a three-quarter full wine cup. What is wrong?

The ad is directed at the ultra-Orthodox community. The message was lost because of the wine. Even a 2-year-old ultra-Orthodox child knows that a Kiddush wine must be filled to the brim.

Secular advertisement agents would tell you when they are being truthful, that it is easier to sell a refrigerator to the Eskimos than a popsicle in Beney Beraq. They seldom communicate with the ultra-Orthodox community. When they do, they use ultra-Orthodox idea- or ad-persons.

The graphic artists are secular. "The good advertisement graphic artists are graduates of the Betzale School, where there are no ultra-Orthodox students," says Tzvi Perl, an ultra-Orthodox adman. His graphic artist at the Gal Bet El company is a secular leftist. It does not matter.

In the winter of 1985, in the middle of the economic crisis, when the advertisement companies of the bus stops were hungry for ads, the Tal-Airview company launched a rare street campaign for the youth of Habad. Some 200 bus stops of Poster Media carried the slogan: "While idle, glance at the Bible." It was the only time the ultra-Orthodox used the services of the Poster Media company.

Ari'eli advertises the vegetable meat substitute of Tiv'ol, approved by Belz, in the Belz Hasidim Mahane Haredi paper. The ad does not mention that the cocktail sausages are made in the secular kibbutz Lohamey Hageaot.

When Sano wished to increase its sales on Passover Eve, it passed on some of its advertisement from its secular adman, Drori Shelomi, to Gal Bet El, which stressed the advantage of kosher food. Detergents approved by the rabbinical court. Radio, religious press. Sales in the ultra-Orthodox community increased.

One is not about to find organized, systematic advertisement campaigns in the ultra-Orthodox sector. There are 11 advertisement companies in that sector. The major ones are Gal Bet El, Express, and Hen in Jerusalem; Friedman and Krimlovsky in Beney Beraq. None of them engages in personal public relations. There is no need for it in the ultra-Orthodox community. Here one sells the product, not the person behind it.

Thus, for example, Zalman Margolis, an ultra-Orthodox multimillionaire who sponsors 'Immanu'el, was not available for an interview even during the golden days of that settlement. "In the ultra-Orthodox world there are many businessmen who are multimillionaires and who can provide a better story than those who give interviews to the weekend papers. They are the dream of a PR person. It is easy to draw them out, but they refuse [sic], says Tzvi Wilder, a PR man.

Most of the admen in the ultra-Orthodox community operate simply as ad publishers. The most they do is put an ornate frame around the ad.

Campaign by the book, with area research, marketing background, defined target audience, and a team of copywriters and an art director advised by a budget person, are hard to find even among the few ultra-Orthodox who have studied advertisement. It is more common to find shooting from the hip and short-term thinking.

Shmu'el Krimlovsky, an ultra-Orthodox adman: "Campaign work in the Orthodox community is a short-lived affair. Few have the budget for it. Even the ultra-Orthodox bank, PAI (Workers of Agudas Yisra'el), hardly advertises."

The numbers bear out Krimlovsky's words. In the secular advertisement market a \$200,000 a year advertisement campaign is considered medium sized. A large campaign would reach \$1 million a year. In the ultra-Orthodox community, a large campaign is around \$60,000 a year.

An example of a \$60,000 campaign: Megadim, a subsidiary of 'Elit, approved by the rabbinical court. The idea of adman Gershon Friedman was to distribute picture albums to product wrappers' collectors, to be used for putting in pictures of holy rabbis, a popular hobby among ultra-Orthodox children. Not a terribly original idea. Some 5,000 albums were distributed in 3 months. He is now distributing albums to collectors of Tuv Ta'am labels, a subsidiary of 'Asis.

A medium-sized advertisement campaign surpasses \$15-20,000. Normal length: 3 months. Even those who are highly aware of advertisement, such as Tefutza books, do not sign long-term contracts.

"The ultra-Orthodox community is not attuned to image ads. Advertisement is at an elementary level. The client wants immediate results in sales. Many businesses are built on an established name, word of mouth. Often an advertisement campaign elicits questions such as: What's the matter, is he having problems, he needs advertisement?" says Shifra Krimlovsky, an ultra-Orthodox adwoman. Actually, the only one.

The family advertisement agency of Krimlovsky owes its beginnings to 'Immanu'el. Later, 'Immanu'el switched to gal Bet El. Shmuel Krimlovsky, an amateur sculptor, taught at the school run by Pinhas Ehrenreich, the Bulldozer of 'Immanu'el. Ehrenreich convinced him there was future in advertisement. Krimlovsky began as ad agent. To this day he spends two-thirds of his working time as a religious teacher.

Then came Erev Shabat, an ultra-Orthodox weekly, born as Yom Hashishi, the success story among the failing local papers Rehov Rashi. Krimlovsky's office works as the ad office of Erev Shabat, and walks on water as an advertiser for the entire ultra-Orthodox media. Shifra has given up her teaching job at Mahshevet Yisra'el, and started studying advertisement. Now she is the organizer and ad purchaser. Shmuel is the idea man.

The Krimlovskys engage graphic artists as the need arises. They take pride in "teasers," small ads that arouse curiosity for a new product, a best seller in the ultra-Orthodox community.

Krimlovsky once wanted to publish in one day no less than 30 teasers about ice cream. "What are we, an eating orgy place?" they asked him at Hamodi'a, and he was turned down.

Recently, a new clothing store was opened in Beney Beraq. The owners wanted to call it Monitin. Krimlovsky persuaded them to call it Super Style. He told them the associations evoked by the name monitin would not be popular in Beney Beraq.

Tefutza is considered the largest ultra-Orthodox book publisher. Knesset Member Rabbi Avraham Shapira publishes little in the ultra-Orthodox press. After the Lithuanian daily Yated Ne'eman was established, Beney Beraq legend has it, Shapira came to Rabbi Shakh to complain about the attitude of the paper towards the Gur hasidim. Rabbi Shakh asked him, "Did you publish anything in that paper?"

Shapira does not publish anything in Yated, or, for that matter, in Hamodi'a.

Tefutza opened the radio to the ultra-Orthodox market. The credit for ultra-Orthodox advertisement on the radio goes to Avraham Kuteiner, an ultra-Orthodox adman, who advertised Ma'ase Roqem, an embroidery store for religious objects, in the small ad corner of Network B. Later on, the Krimlovskys discovered the Song Parade of Network B. Tefutz sponsored the program for 1 year, paying \$150 per broadcast.

They discovered that from 8 p.m. until the end of the broadcast there was a relatively high rate of listening by the ultra-Orthodox community, who looked

upon the phone-in talk program as a forum for self-expression. The radio today is an advertisement medium for the ultra-Orthodox.

The low price and the dense population concentrations explain the popularity of posters among the ultra-Orthodox. For \$100-120 one can order 120 posters with amateur graphic design. It is the way to advertise sales, demonstrations, classes.

Newspaper ad section advertisement, on the other hand, is not well developed. In the ultra-Orthodox sector, only Hamodi'a has a respectable ad section. Yated Ne'eman has Nitzotzot on Friday, a poor excuse for an ad section.

Beni Gal explains that the little attention paid by the ultra-Orthodox to the ad section is due to the laziness of the papers, who do not do enough marketing. "Some of what the secular do through ad section advertisement, is done by the ultra-Orthodox through strong community communications. The general public only communicates through a lawyer. Here you travel with someone in a minibus to the Kollel and you tell him you need a baby crib, and in the evening someone calls you and tells you that a certain person is selling a crib."

Second-hand sales are very common and are done by word of mouth. Children's equipment and clothes and even apartments are sold by word of mouth. Cars are advertised in the secular press.

The main chunk of ultra-Orthodox advertisement goes to the printed press. The scope and the aggressiveness of the competition have increased greatly in recent years.

The weight of the press in advertisement stems from the special attitude of the ultra-Orthodox community towards the written word. The respect for the written word taught at childhood is transferred to advertisement as well. "People recite ads," says Shifra Krimlovsky. "There is a certain naivete, naive faith in what ads say," says Beni Gal.

Nevertheless, one can miss. The first and typical mistake a secular advertiser can make is insert biblical verses. The reaction is anger. The use of biblical verses for sales is considered offensive. Even ultra-Orthodox Krimlovsky fell into this trap when he advertised Uri, a pizza and ice cream maker who opened a branch in Beney Beraq. The slogan was: "Uri uri, for Uri is coming from Jerusalem," alluding to the verse, "'Uri 'uri [awake awake], break into song, for the glory of the Lord is revealed upon you." Krimlovsky had to change the slogan to "Uri Beney Beraq."

Ultra-Orthodox politics also comes into the picture. The hate slogans on Rabbi Shakh's car brought dozens of ads expressing shock to Yated Ne'eman, while the election of Rabbi Moshe Landau as the town rabbi of Beney Beraq resulted in many sympathetic ads in Hamodi'a.

What is the future direction of the ultra-Orthodox advertisement? A growth, in direct proportion to the growth of this community, in awareness of

advertisement. Current trends are a deal being concluded with Poster Media. An ultra-Orthodox adman is interested in renting stations in the Dan bloc.

Another direction still in its infancy with a good future is the free time and leisure of the ultra-Orthodox community. Here there is a penetration potential for general hotels and resorts such as Hilton, Galey Zohar, and the Tzfat hotels. In any case, the ultra-Orthodox advertisement will not be affected by the new television channels.

[Box, p 27]

No Models

An ad by the Gal Bet El agency with a message to the secular adman: You cannot sell to the ultra-Orthodox, because you do not know how to do it. You do not know his world, his consumption habits. Sounds simple. Finding a model proved an impossible task. No ultra-Orthodox Jew agreed to be photographed.

At a certain point, the photographer, a secular fellow, volunteered himself. The result was ludicrous and was rejected. An ultra-Orthodox adman who agreed to be photographed stipulated that his face be blurred. Before appearing in the Otot monthly, the picture was treated.

The ad caused serious controversy. Some were carried away. They considered it advertisement bordering on anti-Semitism. The "model" himself loves the picture.

[Box, p 29, right]

'Immanu'el, the Biggest Campaign

It was the biggest campaign in the history of ultra-Orthodox advertisement. Big in every respect. The budget, \$700,000. No other ultra-Orthodox advertisement campaign came close. Great noise, and three Otot awards to the Gal Bet El agency. Four doctoral dissertations, a dizzy rate of sales, and a great fall.

The agency, which at the peak of 'Immanu'el numbered 24 workers, had to fire most of them. The client still owes some \$200,000. The wheels of justice are still grinding this case.

The imprint of the 'Immanu'el campaign still remains on ultra-Orthodox advertisement. The public slogan, "Berl, Shmelke, Yosef, have you been already to 'Immanu'el?" have penetrated this community.

In 'Immanu'el for the first time use was made of children for advertisement. "We treated the 10-year-old as an apartment buyer. Seven years later--engagement, then marriage. We wanted to put 'Immanu'el on our map," says Beni Gal.

[Box, p 29, left]

They start reading the paper on page one, bottom of right-hand column, both in Hamodi'a and Yated Ne'eman. Who got engaged yesterday? A rectangular ad, somewhat ornate frame, uniform text. On the right, the groom, his name and address. On the left, the bride. In the center, the message: "engaged." Some insist on: "Have been linked through matchmaking."

There are stories circulating at the Hamodi'a press about delays in the issuing of the paper because of engagement notices missing the deadline. Moshe Kohen, of the Jerusalem-based Express agency, recalls many couples putting off their engagement by a day because of the late hour, past the closing of the paper.

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ALTERNATIVE ENERGY USE INCREASING

Amman THE JERUSALEM STAR in English 11-17 Sep 86 p 4

[Article by Venita Maudsley]

[Text]

UNLIKE THE neighbouring countries, Jordan is unfortunate in the fact that it lacks readily available, indigenous sources of energy. With the expansion of industry and the unprecedented building boom of the past few years, there is an ever-increasing demand for energy. It has reached a stage where the oil imports equal over 120 per cent of the total export earnings.

Bearing this in mind, the Royal Scientific Society has for some time been carrying out research into methods of utilizing the assets available i.e. sun and wind, to produce energy. The development of these natural resources is in everyone's interest, not alone will it help to stabilize the economy by reducing imports but, from the point of view of conservation, the environment will benefit tremendously because of the absence of pollution.

Many people may have noticed the wind-mills recently erected at the Royal Scientific Society compound in Amman, on the Aqaba Road near Ma'an and at Al Kharrana near Azraq. These are at present used for pumping water from depths varying between 60m. and 400m. Azraq is an ideal site for windmills because meteorological records show that, for instance, in the past three years — 1968, '69 and '70 — only 15 days could have been described as calm.

These wind mills, which are the most modern and efficient available internationally, resemble an aeroplane propeller and bear little resemblance to the wooden machines depicted in old Dutch picture-books. They can extract the maximum energy from the wind and in the future will be used not only to pump water but also to provide electricity. A 'wind-farm' is planned which will provide a power of 100 KW to be connected to the national grid. To decide on the optimum site for this wind-farm, 16 wind-testing stations have been set up and five more are planned.

Another natural resource which is plentiful in Jordan is sunlight. As an example of the amount of energy provided by the sun at the southern end of the Dead Sea, the Jordanian Potash Project utilizes the heat from the sun to evaporate the Dead Sea water from which they recover 1.2 million tonnes of potash and other by-products per year. Should they use oil for the evaporation process, 3.25 million tonnes of crude petroleum would be necessary at a cost of approximately US \$750 million — the sunlight is free.

It is estimated that about 20 per cent of Jordanian households utilize solar water-heaters. The RSS and the government would like to see that figure greatly increased in the near future. The money saved through not having to purchase fuel for water heating would pay for the installation in about four and half years; the cost being in the region of JD 200-250.

Without solar energy, there would be no agriculture, as plants will not grow without light. The channelling of this energy to improve agricultural output, was initiated in Jordan in 1970, with the erection of green-houses covering 50 acres. At the beginning of 1985, the estimated area covered by green-houses was 25,000 acres. At first, the green-houses were concentrated in the Jordan Valley area but now, with improved technology, it has been found that they work efficiently all over Jordan. The RSS is currently conducting research in this field in a joint project with the Iraqi Solar Energy Research Centre for which purpose 48 green-houses, with advanced measuring capacity, have been erected.

Solar power is being used to produce electricity by means of solar cells. Jordan Water Authority has set up three pumping stations using solar cells which provide a maximum of 1.5 KW of electricity each. This is used to run water pumps. In another area of Jordan, solar cells provide up to 1.5 KW to run a refrigerator in a clinic, street-lighting, educational television and an emergency telephone. At present, 88 solar-powered, radio telephones are in use throughout Jordan — they are reputed to be cheap, reliable and efficient and many more will be set up in the future.

Preparations are being made by the National Resource Authority for drilling to a depth of about one and a half km. underground to ascertain whether the heat present at these depths is sufficient to drive electrical generators. If these are successful, then other sites will be explored.

At a recent international seminar held in Amman, the representatives of the 16 participating countries were very much impressed with the development, in Jordan, of renewable energy resources and all agreed to co-operate with Jordan and the RSS in future developments.

The director of the Solar Energy Research Centre at the RSS is Dr Hani el Mulki, assisted by Dr Rizeq Ta'ani, who is head of the Wind Energy section. They are very anxious to see this project developed and are always ready to co-operate with National and international bodies to further its development. When asked whether this increased pumping of water from such depths beneath the ground would reduce the water table, thus endangering water supplies in other parts of the Kingdom, Dr Ta'ani stated that careful monitoring was being carried out to ensure that water would be pumped out at a rate that would allow the level to remain constant.

/9317

CSO: 4400/8

PRESS CONDEMNS TERRORISM BUT BLAMES U.S. FOR IGNORING CAUSE

Kuwait ARAB TIMES in English 8 Sep 86 p 3

[Text]

WHILE deploring terrorism and armed assaults on innocent people, Kuwaiti newspapers yesterday pointed to scenarios fabricated by foreign powers to pave the way for aggression on Libya.

Recalling its July 24 report on a plan designed by the US armed forces general command to plant a bomb in a Pan American plane on September 5th to fabricate an excuse to attack Libya, Al Qabas newspaper said it becomes clear that the US is preparing for a new round of aggression on the Middle East.

The hijackers of the Pan Am plane in Karachi did not announce their present and long term demands, an action normally practiced by political organizations committing violence, said Al Qabas while shedding doubt on the identity of the party behind the hijacking.

The organizations which claimed responsibility for the hijacking, were never heard of, said Al-Qabas, while the foreign press was implicitly implicating Libya in the incident.

Al Anbaa newspaper said "it is not coincident that the hijackers matched their zero hour with an intensified US campaign demanding aggression on Libya."

"It was a naive attempt to spread suspicion on a relationship between the hijackers and Tripoli," the paper said.

"We could never rule out the role of the US and the Israeli intelligence behind such operations to justify further aggressions and crimes against the Arab people," Al Anbaa maintained.

The paper underlined that the Arab people stand against acts of terrorism and realizes that attacking innocent civilians would never cause a change in policies of nations.

But Al Rai Al Aam newspaper said the international community should pay more attention to the Middle East conflict formula to understand reasons behind this violence.

The hijack operation in Karachi and the attack on the Jewish synagogue in Istanbul were part of a race for power between the two parties of the Middle East conflict, said the paper,

noting that the performance of the Israeli side in this race can be clearly illustrated in military operations in Lebanon and the oppressive acts against Arab citizens.

"The absence of justice, the denial of legitimate rights and the rejection of axioms" were behind the state of imbalance in the Middle East region, said the paper in referring to the US stand which ignored the right of Palestinians for self-determination.

And as long as the state of imbalance prevails in the Middle East, those so-called terrorists will determine whether peace initiatives will achieve their goals.

/9317

CSO: 4400/4

AL-SIYASAH CONDEMNS 'FIGHTING BY PALESTINIANS OUTSIDE PALESTINE'

Kuwait ARAB TIMES in English 8 Sep 86 p 6

[Article by Ahmed Jarallah]

[Text]

WE have been giving warnings in Seyassah for many years about the terrorist military operations carried out outside Palestine, but it seems that in times of anger when logic and reason are unheeded, facts become a burden.

When the Israeli Ambassador to the UK was killed in London, we had our own opinion, and said that those behind the killing aimed at anything except the liberation of Palestine. But angry people applauded the incident. The result was the occupation of Lebanon and the breaking of the backbone of the Palestine Revolution and moving to Tunisia far from its proper fighting location.

It is regrettable that until recently the political circles in some Arab cities raced to announce responsibility and give reasons for the terrorist actions until the Arab political picture became very disturbing in the eyes of the world.

We have said repeatedly for many years in the pages of Seyassah that the proper place for fighting by Palestinians was inside the occupied territories.

Fighting elsewhere is nothing but terrorism and does not serve the Palestinian struggle, even if responsibility is accepted by fronts that consider themselves part of the struggle. But actually these fronts are farthest from the Palestine struggle and their only aim is blackmail and distorting the Arab political image.

It will not be strange to find out later that many of the incidents in which Arabs were used, are ones that harm the Arab image but benefit those behind them.

We fear that some Arab leaders, — who are kept in their posts mainly to destroy the Arab world, weaken its solidarity and tarnish its image, are involved. They push the Arab world into disputes and struggles with the big countries, perhaps on orders they can't refuse.

The Palestinian Liberation Organisation has detached itself from the hijacking of the US aircraft and from the attack on the synagogue in Turkey.

Both incidents are not in keeping with the morals of the Arab world and have no connection with the Palestinian struggle which has been in a state of equilibrium in recent years after it got rid of the pressure of those who found the Palestinian question a fine opportunity for blackmail.

All have separated themselves from the terrible Pan Am incident and from the killings at the synagogue in Turkey, but the incidents will be exploited by many Arab enemies.

The side that carried out the two incidents and those behind them must be revealed in order to acquit the Arab world and the Palestinians who want peace.

/9317

CSO: 4400/4

ISLAMIC AFFAIRS MINISTER APPEALS FOR END TO GULF WAR

Kuwait ARAB TIMES in English 6 Sep 86 p 3

[Excerpts]

KUWAIT's Awqaf and Islamic Affairs Minister, Khalid Al Jassar, in a speech to mark the new Hijra year has appealed for an end to the Gulf war. In new year celebrations at the Grand Mosque, he prayed for a year of peace and dignity for Muslims, and extended congratulations to HH the Amir and HH the Crown Prince and Prime Minister, Sheikh Saad Al Abdullah.

Reviewed

He appealed to Iraq and Iran to bring their war to an end, pointing out that its continuation enabled enemies to usurp Muslim territories.

The minister reviewed the aims of the Prophet Mohammed's (PBUH) migration from Makkah to Madina, and said this was meant not only to move the minority of Muslims from Makkah to Madina, but to find a centre for Muslims in the city after it had become a fortress for Islam. From this city Muslims planned for the future of their religion with the aim of saving humanity from injustice.

Al Jassar said there were many hijras (migrations) in the life of individuals and communities, but there was a great difference between the migration of people looking for the best way

of living and that of the Prophet, which was meant to liberate humanity from slavery and to enable Islamic principles to reach the hearts of people before Muslims reached their countries through conquest.

He said that the Hijra confirmed that this religion was an integrated system and way of life, adding that charity would not prevail in the world unless Islamic principles were put into practice and all affairs were governed by God's sharia (laws).

Abandon

He said that every Muslim had the opportunity to take part in the Hijra by abandoning everything banned by God, and he called on Muslims to abandon negative for positive ways and to give up disunity and adhere to unity.

The minister pointed out that the persistent conflicts between Muslims had divided them into many factions and parties, and he expressed regret that such things had been done in the name of Islam.

Al Jassar urged the two Muslim neighbours, Iraq and Iran, to end their bloody struggle, pointing out that the persistence of hostility between the two countries weakened the Islamic nation.

/9317

CSO: 4400/4

BRIEFS

NEARLY 1,000 EGYPTIAN TEACHERS HIRED--The first batch of the nearly 1,000 Egyptian teachers taking up posts in Kuwait are due to arrive in the country tomorrow. The Education Ministry has taken on 460 Egyptian teachers on individual contracts and a further 500 are being seconded from the Egyptian Education Ministry. Kuwait advertised its vacant teaching post in Cairo newspapers and received 12,000 applications. A total of 2,500 were interviewed and 460 selected. The first group of teachers along with their families are due in Kuwait tomorrow. [Text] [Kuwait ARAB TIMES in English 6 Sep 86 p 3] /9317

PRODUCTIVE INVESTMENTS TOP PRIORITY--Kuwait is currently trying to optimise the use of its financial surpluses with greater emphasis on productive investments both in Kuwait and overseas, sources told Al Rai Al Aam newspaper yesterday. They said the government was trying to ensure that its properties were used to the full in such a way to guarantee good profits and was looking for investment opportunities which would help activate the local market. On external investments, the sources said the government was looking for the best returns possible. They said the government was also trying to encourage the formation of local consultancy firms to offer advice to small investors and to encourage local studies in finance. [Text] [Kuwait ARAB TIMES in English 9 Sep 86 p 11] /9317

INTERNATIONAL ROLE EMPHASIZED--Kuwait has always been, and will always be, one of the Arab countries that works day and night through its people to ensure that the Arab nation will always be great and united, and that its voice will be heard throughout the world. Kuwait has always helped its Arab brothers in every way and has always sought to spread love and peace among them. Kuwait's Deputy Premier and Foreign Minister, Sheikh Sabah Al Ahmed, who is one of the most influential men in foreign affairs, spoke about many vital problems, such as the Iraq-IRAN WAR, THE Middle East problem, the Palestine problem and the South African problem at the Non-aligned Movement meeting at Harare. Sheikh Sabah is visiting European countries to explain the dangers of the Iraq-Iran war to the Gulf area and all humanity, and the need to stop the war. Through its dedicated and persistent efforts, Kuwait is striving to make all peoples live as brothers. We wish every success to Sheikh Sabah in his great mission, and ask God to help him and give him strength. We also pray that all people will live in peace. [Text] [Kuwait ARAB TIMES in English 10 Sep 86 p 3] /9317

CSO: 4400/4

PROPOSAL FOR ISLAMIC REPUBLIC, DEBATE OVER RESOLUTION 425

Paris AL-MUSTAQBAL in Arabic 13 Sep 86 pp 24-25

[Article by Asad Haydar]

[Text] Many letters arrived by mail in Paris last weekend, among them one addressed to AL-MUSTAQBAL, on which was placed a new and strange postage stamp. Written on it in both Arabic and French was "The Islamic Republic of Lebanon" and a picture of the American Embassy, which was destroyed a while back in a suicide operation (see photo [omitted]). It seems that having the word "Lebanon" on the stamp made it easy for the letters to pass through the mail and reach their destinations without any problems. The content of the letters was not important, including the one sent to AL-MUSTAQBAL, since all it had were cuttings from newspaper articles dealing with boobytrapped cars in West Beirut. It is clear that the purpose of this letter is not to be found in its contents, but rather in the arrival of the postage stamp on its envelope. If "a letter can be read through its address" [proverb], then the message sent to AL-MUSTAQBAL can be read through the stamps bearing the name "The Islamic Republic of Lebanon," alongside this movement whose echoes have reached Paris. For the streets of Beirut have witnessed in recent weeks the distribution of pamphlets calling for the establishment of an Islamic Republic. In them were quotes and announcements from high Sunni and Shi'ite religious leaders. All the pamphlets opened with opinions of Imam Khomeini and his successor Hoseyn Montazeri. This "message" is not a new one, and those who advocate that Lebanon become an "Islamic Republic" are not only today's people or children spawned by this war, for this call for the establishment of an "Islamic Republic" in Lebanon is an old one. Here is what Mr Sadiq al-Musawi, a prominent intellectual who is in favor of such a republic, says: "My request for the establishment of an Islamic authority in Lebanon and for Muslims to administer the affairs of their country themselves was not born today or yesterday. I was urging people to do so when such a call was not looked upon favorably among Muslim circles in Lebanon." What is new is that the voice of those who advocate this cause became louder as they become prominent in the political scene in Lebanon. This advocacy became evident through some preliminary forms such as an illegal postage stamp, but it has far-reaching dimensions.

Timing in all this is the essential element, especially since the discussion has branched in two directions: on the one side, the Islamic Republic, and on

the other, the implementation of Resolution 425 dealing with southern Lebanon. If timing is what brought together these two points of view, this does not contradict the assertion that Lebanon (while attempting to hold a dialogue far from the shores of Lake Lausanne) is more drawn to the discussion going on far away at the Racing Club on the Green Line. These discussions and this appeal were accompanied by many different statements of support. What is important, however, in the framework of these statements is the attempt to clarify the bases which govern this appeal. One such statement says: "We Muslims encourage and support this great step taken by the 'ulama' of Islam in approaching Muslims and asking them to request the downfall of the criminal Lebanese system and to raise the flag that says 'There is no god but God' [the banner of Islam] over the land of Lebanon. And we are always ready to implement what our diligent 'ulama' ask of us until the realization of the Islamic Republic of Lebanon." Another announcement says: "We don't see any solution in Lebanon except for the establishment of an Islamic Republic which will guarantee sectarian rights and provide justice and security for all of Lebanon." A simple reading of the literary works of the different parties, independent thinkers and great personalities who are knowledgeable in religion and who are calling for the establishment of the Islamic Republic of Lebanon, will enable us to define the basic structure for this republic and the reasons for its formation in the following manners:

- "The proposal is not a project for Muslims versus a Christian proposal" (meaning the Christian elements which call for a free Christian Lebanon).
- The conversion of the area into a "nation" [ummah] or "the great Islamic state" instead of many states and sects, meaning that Lebanon is a part of the Islamic nation and not isolated or an Islamic republic on its own.
- The establishment of an Islamic authority, implementing Islamic laws [shariah], is a religious obligation, binding everywhere including Lebanon. It is a definite Qur'anic principle which does not allow for compromise.
- The call for establishing an Islamic republic has general guidelines in the political, economic, and social realms, but does not have detailed guidelines, because it can only be grasped through practical experience. In this context the framework of this "Republic" becomes the kind which "guarantees sectarian rights, provides justice and security for all of Lebanon."

In the face of this direct proposal for establishing an "Islamic republic," the unique character of Lebanon and the number of its sects have forced many Muslim elements to take note. That is why the discussion deals with the obligation to work for "a humanitarian framework established on the respect for the beliefs of other sects." Indeed, a great religious leader such as Mr Muhammad Husayn Fadlallah says: "Given the actual situation which exists in the political, human, and intellectual realms in Lebanon, such an accomplishment cannot be realized now. With regard to the future, people are able to think. For, the boundaries of the future are defined by one's success in putting forth the concepts being advocated."

Establishing the "Islamic republic" in Lebanon remains a futuristic endeavor and a transitional struggle. The debate dealing with it has continued to be within the framework of heated, though not vehement, discussion. This is true at least in the context of a single sect; indeed, certain voices on the Christian side (such as that of Samir Ja'ja' the current commander of the "Lebanese Forces") have viewed such open discussion as "a natural right and an important development."

At this time, the discussion of Resolution 425 (which deals with the south) has assumed serious dimensions which all but threaten to culminate in a bloody explosion among members of the same sect, now that bloody strife has broken out between Amal and the French contingent of the international Emergency Force.

The "Battle" incident--in which Haydar Khalil, Amal's official in charge of the region, and his bodyguard were killed by some French soldiers from the Emergency Force--has opened the door wide to the question of enforcing Resolution 425. Hizballah and the Coalition of Muslim Theologians opposed the resolution; indeed, they objected to the presence of the entire Emergency Force. The Amal movement and many Muslim figures took a supportive stand in favor of the resolution, the implementation of that resolution, the presence of the Emergency Force, and the continuance of operation by that force. Lest we be overwhelmed by details in the statements and declarations of supporters, [let us note that] the most prominent issues underlying the opposition to Resolution 425 are the following:

-- Resolution 425 differs in no way from the accord of 17 May; the essence is the same.

-- The resolution is objectionable because it acknowledges Israel's right to implement certain security measures within Lebanese territory.

-- The resolution is an actual recognition of Israel, and it calls for some form of secure borders, when "Islam condones no form of peace, recognition, or truce."

-- The withdrawal of Israel in accordance with the resolution is conditional upon the presence of temporary international forces for as long as it takes to establish peace and security alike for Lebanon and the Zionist entity.

-- The resolution paves the way for peace with Israel; in other words, it constitutes mutual recognition and consents to [the principle of] secure borders.

-- The resolution amounts to negotiation with Israel, when the principle of negotiating is unacceptable no matter how it is rationalized.

In light of these objections to Resolution 425, it is possible to understand the objection to the presence of the international Emergency Force. In this regard, the leading figures who oppose the resolution and the international

force assert that "the Emergency Force prevents the mujahidin from reaching Israel." On the other hand, those who support the implementation of the resolution and the presence of the force--and the Amal movement heads the list--base their stand on the following premises:

-- Imam Musa al-Sadr is one of those who engineered the resolution (statement made by Nabih Barri--leader of the Amal movement--on 2 September 1986).

-- The resolution does not end the war with Israel; instead, it affirms the truce, and retains the state of war with Israel.

-- The resolution guarantees security for the south and blocks the immigration of its natives and residents; in addition, it constitutes no conspiracy against the Muslims who live under the yoke of Zionist imperialism.

-- The presence of the international Emergency Force lends international legitimacy to the south and to Lebanon [as a whole].

-- The south will be the passageway to Palestine [only] upon the emergence of a unified Islamic Arab resolution; before then, it is absolutely forbidden for anyone to make decisions in regard to the people of the south.

-- The force which the resolution authorizes is a temporary one; in essence, it expresses international support for Lebanon.

No matter how important the justifications advanced by the supporters or the opponents of Resolution 425, the position of the Islamic Republic in Iran which supports the establishment of an Islamic republic in Lebanon and which encourages the rejection of Resolution 425 (formal statement issued by the Iranian Cabinet)--has cornered everyone, especially since the majority of supports and opponents belong to the Shi'ite sect. While the Iranian position upholds the Lebanese opponents, it embarrasses the supporters whose response has therefore assumed an attitude of "sympathy" and willingness to conduct a dialogue. This attitude is embodied in two propositions:

-- The first is that Iran opposes Resolution 425 by insisting that the battle against Israel must continue. This stand is a tactical rather than a strategic one.

-- The second is that Resolution 425 will not be enforced. Why should we fight over an issue which Israel has not yet endorsed and may not implement in any shape or form?

In this context, the supporters in question assert that "the various Lebanese forces view such inter-Shi'ite disaccord as a golden opportunity to regain their territorial positions or to gain advantages which previously were all but lost.

Aside from the attitudes of the supporters and the opponents, the opportunists and the indifferent, towards all of the events now transpiring, the neutral

elements and the observers believe "that the issue looms larger than Resolution 425, that the south has always been the game of the superpowers, and that Resolution 425 has no place either on the American or on the Israeli level; for 9 years have elapsed since it was issued (19 March 1978), and yet it has not been implemented or enforced. Why, then, should it be addressed at this time, particularly under these circumstances?"

Those neutral elements and those observers answer the question by saying that the issue goes beyond the small circle of Lebanon, that the current escalation--even with respect to the heated discussion concerning the establishment of an Islamic republic in Lebanon and the implementation of Resolution 425--is no more than a strong echo of the events now taking place on the Gulf front. The strategic developments and changes transpiring there will be the determining factor in whatever occurs in Lebanon and the rest of the region for a long time to come.

/9599

CSO: 4404/1

JUMBLATT STRESSES NEED FOR DIALOGUE OF ALL SIDES

Beirut LA REVUE DU LIBAN in French 23-30 Aug 86 pp 12-15

[Interview with Walid Jumblatt, leader of the PSP [Progressive Socialist Party] and minister of tourism and public works, by Nelly Helou]

[Text] Relaxed, smiling, calm and taking his time, the leader of the PSP and minister of tourism and public works, Walid Jumblatt, met with me at his home in Mousseitbe. One immediately felt the wind of optimism in the air. During the interview, he repeated once more his determination to have a dialogue at all levels, but still advises Lebanese to be more realistic than simply euphoric. The same political realism is found throughout the interview. For Jumblatt, if one can reach a real truce, a major positive step will have been taken because permanent peace does not depend on the Lebanese alone. As strange as it may seem, he takes a conciliating and moderate tone.

Before the interview, I waited for him for a few minutes in the red velvet furnished living room where one sees the different portraits of his late father, Kamal Jumblatt, with leaders of the Arab world: Nasir, Assad, 'Arafat -- and of all of Lebanon. The interview took place in the sober office, where one observed a large portrait of his wife and children. The meeting was a long one and he spoke to me of his private life, especially his love for traveling. If it were not for his political obligations, he would have traveled around the world.

In order to go to Mousseitbe, inasmuch as the Franciscans passage was closed, I had to go through the tedious routine experienced by all Lebanese every day of the Kafaat-Mreije passage. With luck in my favor, I escaped the monstrous traffic jams by using military roads on both sides of this line of demarcation. The interview first of all dealt with Walid Jumblatt's appearance on the LBC.

[Question] The interview you recently granted to the Lebanese Forces television station, the LBC, was a veritable coup, a surprise to everyone.

[Answer] It was also a surprise to see the LBC in the mountains.

[Question] How can one explain that fact?

[Answer] One cannot remain cloistered forever even if one has, let us say, contradictory political positions. We are one people; we have to know one another. Such events can only be useful and the media play a very important role here.

[Question] Should one view this as the beginning of a direct dialogue between Walid Jumblatt and the Lebanese Forces (FL)?

[Answer] As I have already said, I am willing to engage in a dialogue without preconditions. I have no idea whether the Lebanese Forces are willing to dialogue, for their part. One must also say that I am not the only political element on the local and regional scene. The opinions of others must also be taken into consideration.

[Question] If everyone does his part, one would undoubtedly come to something positive. What should be the bases of this dialogue?

[Answer] If we are to begin by setting preconditions, we will never be done. Let us start from the principle that everyone has waged his war or, let us say, was forced to wage it. Everyone has more or less worn Caesar's laurels. But at the same time, there is a nation suffering. On both sides, the human losses are considerable, if I am not mistaken. There are tens of thousands of victims and families of martyrs, to say nothing of the enormous problem of the displaced persons, on the Muslim and Christian sides.

[Question] Some viewed your appearance on the LBC as a kind of challenge.

[Answer] Why? I am challenging no one. I am simply willing to engage in dialogue, for it is high time. If the regional and international conditions do not yet permit real peace in Lebanon, then let there be at least a truce. I believe that the war is costing everyone dearly, especially the Lebanese Government, which is slowly going down. One has but to look at its finances.

[Question] In your opinion, what do the regional forces want?

[Answer] Israel wants security on its northern border, but in its own way. They want to impose a separate peace on us. We cannot stand for that. We have seen what 17 May yielded. We must find another way, FINUL [UN Interim Forces] or the clauses of the 1948-1949 armistice.

The Syrians want a tripartite agreement. It could serve as a point of departure. One cannot also become stuck on agreements that in some ways cannot be applied. Whence the need for dialogue. All the component parts must be present. Otherwise, there will always be someone to sabotage the understanding and there will be no end to it.

[Question] There is currently a wind of optimism blowing through the country, reassuring people but confuses them also.

[Answer] In my opinion, it would be a mistake to be too optimistic. One should rather be realistic because our problem is not purely Lebanese.

[Question] Will Tuesday's meeting at Villa Mansour between President Chamoun and Karame yield fruit?

[Answer] The point of departure is valid, but the meeting must be given a thrust. Perhaps new committees should be formed.

[Question] Are you willing to participate in the ministerial committee that would sit as a committee for a dialogue?

[Answer] I am going to participate in it, but one must also provide the practical and security conditions for everyone. Is the hippodrome a safe enough site?

[Question] Will you also participate in the Council of Ministers?

[Answer] If necessary, yes; why not? We have to begin somewhat, be realistic in order to at least arrive at a truce and try to save this sinking government.

[Question] There has been talk of a proposed agreement advanced by the Vatican. Were you informed of it?

[Answer] No. I learned of it like everyone else, through the newspapers.

[Question] Everything therefore has to start all over for the agreement process.

[Answer] That is true, or we have to try to dissect the tripartite agreement, see what is applicable and what is not. (He adds ironically:) There is talk of the "essence" of the agreement, as if they were distilling arak. I wonder who started this stupid idea of the essence or the spirit of the agreement.

[Question] There is more and more talk of the imminent entry of Syrian troops in the mountains. It would appear that that deployment is the cause of a "chill" between you and Damascus.

[Answer] There has been no such thing between Damascus and myself. From the very beginning, I simply had my opinion about the war of the camps, the first and the second war, and I also had my opinion on the tripartite agreement. Moreover, I told President Assad and everyone: You asked me to sign, I did so, but I am not convinced because we need an agreement that can be applied. Regarding the entry of the Syrians into the mountains, I have no problem. I am willing to facilitate their task and I will tell them: *Ahlan wa sahlan*.

[Question] To get back to the problem of the camps, it is said that Walid Jumblatt supports the 'Arafat Fatah.

[Answer] I do not support the 'Arafat Fatah, I simply consider that the war of the camps that was perhaps provoked by 'Arafat could have been settled

differently. But by speaking of 'Arafat so much, one finally creates a myth. They have built up the character. In my opinion, the changing of the guard has yielded nothing and will yield nothing.

[Question] I would like to ask you the eternal classic question: How do you see the solution to the Palestinian problem in Lebanon after 1982?

[Answer] The PLO must be told that the old methods of armed struggle were inadequate because in a way, they brought about the Israeli invasion of Lebanon. They gave Israel an excuse. On a practical level, this caused a disaster in the south and elsewhere in the country. We must therefore find another method of armed struggle and try to coordinate this fight with the Syrian concept of military parity. Can we do that? We shall see?

As for the Palestinian people, they cannot be driven into the sea. They must be given a minimum of security and guarantee until one of these days, somewhere, (he weighs his words), there is a solution to the Palestinian problem.

[Question] Do you therefore accept the self-security of the camps?

[Answer] As long as there is no Lebanese solution to the problem and as long as everyone has his own security, why impose a different status on the Palestinians? The Palestinian tells you: I have the same right to protect myself as anyone else. We must understand their psychological trauma because they have gone through difficult times.

International Conference

[Question] What do you think of the violent, bloody confrontations in the south between the French in the FINUL and the Shiites?

[Answer] These incidents are serious and everyone interprets the 425 in his own way, claiming to know everything, which is not always the case.

[Question] Are you for keeping the FINUL in the south?

[Answer] Yes, I am for keeping the FINUL in the south, but I believe that the 425 will not be truly applied unless the international conference takes place, because the problem goes beyond the framework of the south.

[Question] Does this international conference have any chance of being held in the near future?

[Answer] There is talk of it. Perhaps at the beginning of next fall, but the process will be long and not easy. Let us remember the Paris conference on Vietnam. It lasted for years and in the meantime, the bombs rained on Hanoi. We must not expect miracle solutions, even if the principle of the conference is accepted. The Lebanese go immediately from black pessimism to euphoria. There is no happy medium.

[Question] After a somewhat "warm" month of August, can one speak of a cooling off in the fall?

[Answer] I certainly hope so.

To Moscow

[Question] Mr Jumblatt, you go to Moscow very often.

[Answer] Very often? I like to go to Moscow. Why shouldn't I?

[Question] You go there as minister of tourism, as a socialist leader.

[Answer] Both. I am interested in Russia and I like to see what is happening with the new administration. For Gorbachev, the challenge is inevitable.

[Question] In short, you maintain direct relations with Moscow without any intermediary?

[Answer] Without any intermediary, fortunately (he adds, laughing). The Soviets have given moral aid -- to use a diplomatic term -- of considerable importance to the Socialist Party and progressive Lebanese forces.

[Question] Is that moral aid still continuing?

[Answer] Everything is going well, in all areas. Especially when one sees the American policy, which is not only arrogant, but unimaginably stupid.

[Question] What do you think of the Helsinki meeting between the Soviets and the Israelis?

[Answer] In its relations in the Near East, why should the USSR limit itself to the Arab world? The Americans enjoy the luxury of relations with the Arab world and Israel.

As far as that meeting is concerned, Israel will pose in advance the question of the Jews in the USSR, thus intervening directly in internal affairs.

[Question] And what about your friend Qadhdhafi? How are your relations with him?

[Answer] I have not gone to Libya for quite some time. For the time being, I do not intend to slip away anywhere.

[Question] Recently and more than ever, you have been flirting -- and quite intensely -- with President Chamoun and his son Dany, leader of the PNL.

[Answer] I like the Chamouns very much. I am always criticized. They accuse me, asking how I can have relations with Chamoun, Israel's No 1 agent. I tell them that maybe he has contacts with Israel. Everyone is free to have relations with anyone, but I find that their friendship and even their opposition is nice.

[Question] But where will this flirting lead?

[Answer] Quite simply, we are helping one another. For Deir el-Kamar, we are trying to carry out a few projects, especially developing the city's technical school. Later, I believe that Camille Chamoun will be one of the prime elements in repatriating Christians from Chouf.

[Question] Following your visit to Deir el-Kamar for the Saidet el-Tall celebration, President Chamoun appealed to you, saying that Walid Jumblatt should be the one to begin the process of returning the displaced persons to their villages.

[Answer] I know, but one cannot do everything alone. All the local and regional parties must agree. We also need a plan to rebuild the mountain areas because the task is enormous. Perhaps some displaced persons are now living in the east under difficult conditions, but some of their villages in Chouf are also devastated. Nor can one repatriate someone and make him go live in a tent in miserable conditions. We need at least a few hundred million Lebanese pounds to rebuild the mountains. Instead of spending incredible sums on weapons, the government could use that money to help the refugees.

[Question] Do you already have an overall solution for the mountains?

[Answer] Yes, but to whom are we to take it? The president, our very dear president, wants his people to be included in the proposal. *Ahlan wa sahlan*; let us be realistic and practical. But other Christians -- I do not want to mention their names because I am afraid for them -- also have to be included. The undertaking has so far failed because of stupid rivalries.

[Question] But the refugees from Chouf and the Aley region are impatient to know whether their return home is imminent.

[Answer] It all depends on the ministerial committee, whether it is reliable or not. I cannot repatriate people without providing them with adequate living conditions. What would we do if the war should continue on all fronts?

[Question] After your interview on LBC, President Chamoun said that Druze-Christian cooperation is the cornerstone of the Lebanon of the future. What do you think?

[Answer] I agree with that even though I know the concept is misunderstood by some people in some circles. Not everyone is familiar with the history of Lebanon or has not read it adequately. Today, everyone writes history in his own way. President Chamoun's position is right, without excluding the other communities.

[Question] A person close to you has said that you asked for a meeting with President Gemayel. Is that true?

[Answer] No, that is not true.

[Question] Are you ready to rebuild the bridges with the chief of state?

[Answer] I do not know where the notorious ministerial committee could lead.

[Question] How do you explain those nocturnal flashes on the lines of demarcation at a time when they are speaking of national dialogue?

[Answer] You have to ask the question: Who is on the demarcation line? I am no longer.

[Question] In the mountains, it has been said for some time that it is no longer the Jumblattists who are bombing our regions, but rather, the Palestinians and Syrians who are there.

[Answer] You cannot say that. The Palestinians who are in Chouf and Aley are under my control. When the Lebanese Army opens fire, one is forced to respond. Sometimes the outbreaks are due to an altercation between soldiers and militiamen on the two sides. The trenches are so close together. They insult one another and then it starts.

[Question] The Palestinians who are on your lines are 'Arafat supporters, I suppose.

[Answer] No, they are dissident, legally dissident, Palestinians (he adds the latter laughing).

[Question] That is a contradiction. You are with 'Arafat and you collaborate with Abu Moussa in the mountains.

[Answer] I did not say that I was with 'Arafat. I said that I was against the principle of the war of the camps.

[Question] In Baabda and its region, the inhabitants do not understand why the Jumblattists go after the civilian population in that way.

[Answer] You believe I have a regular army. Is the army truly there? It bombs civilians and one has to respond. The militiamen in the field and the common soldier in the Lebanese Army are completely overwhelmed by events. You think that you have the British Army on one side and the Wehrmacht on the other!

[Question] How can you explain your changes in attitude and tone? One day you are aggressive and vitriolic; the next, moderate and conciliating. Is that a personality trait?

[Answer] No, it is not a personality trait. It is due to the circumstances in which we live. I see what is happening around me, I sense that the elements change, I sometimes hear rumors in the corridors, for one is not always informed by our allies of what is happening. I am above all realistic. I believe it is time to put an end to the war and to come to a truce, if that is possible.

Suicide for Druse

[Question] It is said that Damascus is trying to create a Shiite-dominated axis from Tehran to Beirut.

[Answer] There are too many theories and views. I do not have relations with the Iranians, if that tells you anything.

[Question] What about the Israeli process of the Balkanization of the region?

[Answer] Israel's objective and interest have always been to destabilize the region from Lebanon. Unfortunately, we are allowing them to do it.

[Question] In a possible process of Balkanization, the Druse would come out ahead. They will have a state going from Lebanon to the Druse Djebel in Syria.

[Answer] What a state! There are not even a million Druse in the Near East and you think that constitutes a state! Never! It would be total suicide for the Druse and in some regions, they would be like they are in Israel, perhaps: border guards. I do not believe it would be an ideal status for the Druse; absolutely not!

[Question] In other words, for the Druse as well as for the Christians, the only solution would be to keep Lebanon within its international borders, with a united state.

[Answer] Certainly! The formula of the cantons is suicidal, a dream. The Christians, who are much more powerful than the Druse, tried their own concept of a Christian state; look at what happened!

[Question] You have tried your own concept in Chouf?

[Answer] No! Lebanon is now divided into emirates: the emirate of Saïda, of Chouf, of the suburbs, East Beirut. You even have the Sandjaks!

[Question] You are taking us back to the time of the Ottomans!

[Answer] Even better (he laughs whole-heartedly). Each one has its port and Phoenicia is reborn, with Byblos, Tyr, Saïda, Tripoli, and so on.

[Question] How do you explain the fact that there are no Intifada in the Druse milieu?

[Answer] Why would there be? We are both a party and a milieu that so far has remained quite conservative. We have a fairly clear political purpose. What are the Druse asking for? Being a minority among all the minorities of Lebanon, they are demanding minimum rights. They cannot accept exodus. After all, we have lived in this country for centuries. The Socialist Party proposes a minimum of political reforms and mainly economic reforms, the redistribution of wealth. We also know that for the time being, certain demands are inapplicable. We are asking for the minimum.

[Question] There must be persons or individuals who are not in agreement with the Jumblatts, but one does not hear them. Do they not have the right to express themselves?

[Answer] They have the right to express themselves, but what can they propose? With our proposal, we have come to a general consensus. There would probably be people annoyed by the fact that there is a predominance of so-called Jumblattists and of the party. There are always those who are disappointed or the malcontents.

[Question] Let us take the case of Emir Faical Arslan.

[Answer] I know nothing about it. If he has a more interesting proposal to make, he is welcome and others along with him.

[Question] In your opinion, are we at the end of the Intifada in the eastern regions?

[Answer] I do not know! I believe that they are young people in crisis. When one sees the pictures of the Lebanese Forces, one wonders whether they have any political plan in mind.

[Question] But you know that there is a national proposal that was presented in the name of all the Christian live forces?

[Answer] A vague, so-called Christian, proposal. But is it therefore understood by the rank and file? Furthermore, the same thing is happening with us. Has the Amal rank and file read that notorious tripartite agreement? Can those people understand the content and scope? These young people who are used to doing nothing but fight for 10 years!

[Question] That is where you propose the shakeup in your ranks, just as Samir Geagea proposes one in the Lebanese Forces?

[Answer] I do not know if that is truly what he proposes because the religious side of the extremist Christian wins out with him.

[Question] I believe that you do not know him personally. What a shame!

[Answer] No, I do not know him. But we know him through the mountains. What he did was useless; it was a disaster for everyone.

[Question] Do you have contacts with Elie Hobeika?

[Answer] We see some of her aides, including Michel Samaha, whom I like. We do not see him. He is somewhere between Damascus and who knows what.

Social Problem in South

[Question] Will the Hamana brigade come out of its barracks to play an active role in the field?

[Answer] Why not? But it is not a real brigade. It is still very limited in means and manpower. Given the high cost of living, the soldiers prefer to work as taxi drivers or plant tomatoes at home. It is a widespread phenomena.

[Question] They would perhaps prefer to become militiamen?

[Answer] No, the mentality of the soldier is somewhat different.

[Question] Would a militiaman with the Jumblattists be better paid than a soldier in the Lebanese Army?

[Answer] With the benefits granted by the Army, the soldier is better paid. But when one is talking about 3,000, 4,000 or 5,000 Lebanese pounds, it is ridiculous.

[Question] Is there no way out of that mortal crisis?

[Answer] The situation is much more complicated than that and you are going to have an even more serious problem in southern Lebanon. The good Shiite bourgeoisie from the south is returning home and buying huge lots cheaply, given the rate of exchange. The poor peasant in the south, the lower and middle classes are without land and becoming refugees in their own country. We are witnessing a new exodus of the people from the south to Beirut, where the poverty of the suburbs awaits them. The big landowners do not give a hang! Amal and Nabih Berri should pay attention to this serious problem and try to guide the Shiite bourgeoisie toward public interest projects, including the construction of low-cost housing.

[Question] Among the Druse, the situation is different, I believe. There are more small landowners. Do they feel the impact of the economic crisis?

[Answer] As you say, the social structure is different. But naturally, they feel the impact of the economic crisis! You have but to tour the mountains to see. Agriculture has never been very highly developed by the Druse. They have no real agricultural tradition. That is one of the reasons why Fakhreddine cooperated with the Maronites, in order to develop agriculture in his regions. Then there came the expansion of mulberry trees and silkworms. One has but to see the villages abandoned by the Christians that were once so rich and prosperous. The sight is devastating. The olive trees, apple trees, and so on, are dying, have been abandoned. It is a real catastrophe.

[Question] Then how do the Druse make their living?

[Answer] One finds them in the army, the FSI [Internal Security Forces]. They are also civil servants. When we had the oil boom, there was a great wave of emigration toward the Gulf. Today, it is different.

Not a Bourgeois

[Question] In your speeches, you virulently attack the bourgeoisie, but by birth, your family, are you not bourgeois?

[Answer] (He interrupts.) I am not bourgeois; not at all! If you want to label me, I am the offspring of one of the largest feudal families, but to begin with, there is nothing left of my feudalism.

I especially detest that new bourgeoisie of money, land, arms trafficking, drugs. I condemn it. Feudalism is something else. It was at one time a political system.

[Question] You maintain good relations with the Vatican?

[Answer] Yes, naturally, and I hope to be able to develop such contacts. They are necessary. The Vatican is an important political power in the world.

[Question] Do you still have icons from the Convent of the Holy Redeemer of Jouan?

[Answer] No, but the convent library is still in Beiteddine. It is so rich and intact. Before giving it back, I am waiting for them to appoint a superior for the Convent of the Holy Redeemer.

Beiteddine Festival

[Question] Tell us about the Beiteddine festival. You could have invited us?

[Answer] I admit that the organization left something to be desired. Regarding activities, there was nothing new compared with last year, in my opinion. It is necessary to set up a committee truly up to the task. I have noticed that certain painters, singers or other artists have added nothing new. One would say that there is a general paralysis in art and creation. The mountains have been invaded by these pitiful singers; if only they were troubadors! I do not want to give names in order not to libel them, but the level is incredibly low. The worst is that the public loves it; the public likes only noise. It is unfortunate. One feels a drop in the cultural level throughout the country, even in the publishing field, both here and in the Arab world. Everything is translated.

[Question] Have you watched the LBC?

[Answer] We do not receive the LBC in all the mountain regions, not in Moukh-tara, at any rate, because the Barouk connection was sabotaged under the Israelis. There is still an empty channel.

[Question] But they say that the Jumblattists now have a connection.

[Answer] There is nothing to do up there! From time to time, people take a little walk. Furthermore, I closed the passageways in order to protect the Barouk and Maasser cedars that are in danger. With Georges Tohme, rector of the Lebanese University, we are going to undertake an operation to protect them.

[Question] You were anticipating opening up a television station?

[Answer] No, never! That is too expensive; I do not have the means at present. You also have to have the know-how.

[Question] Why did your newspaper AL-ANBA halt publication?

[Answer] (He hesitates and replies.) For financial reasons, let us say. We are going through difficult times.

[Question] Since Walid Jumblatt was quite relaxed and at ease on the day of the interview, I wanted to get to know the man and not only the ideas of the minister and leader. Mr Jumblatt, when you have spare time, what do you like to do, not counting politics?

[Answer] I try to get away; I travel. I love to see the world. I hope to make a long trip to Southeast Asia in September, a region I do not yet know. I have been invited to North Korea. It is far, I know, but that interests me.

I was in Cuba before. It was an excellent trip and Fidel Castro is charming. He is the last of the greats, along with Gandhi, Nasir and Nehru. In Cuba, there are 30,000 Lebanese, including two ministers.

[Question] Your wife does not accompany you on your trips?

[Answer] I do not believe she would be interested in North Korea. Nor did she want to go to Cuba, although it is a beautiful country.

[Question] Are you a good father?

[Answer] I try, but I do not always have the time to see my children. I have two sons: Taymour, 4 years and 3 months, and Aslan, 3 years and 4 months. They live in Moukhtara. The older boy is already in school.

[Question] Why did you not name one of the children after your father?

[Answer] It is not part of our family tradition. Taymour reminded me a bit of Tamerlan. ("No," he added, getting ahead of me.) Tamerlan was not a conqueror. He was a great man of letters and science. He built Samarkand. Aslan means lion. He is a real lion.

[Question] What are your other nonpolitical occupations?

[Answer] I try to concern myself with Beiteddine, but a great deal of money is needed. With the aid of the National Council on Tourism, they are trying to revive the palace of Emir Amine, to create a society to manage it. I am in the process of repairing the headquarters of the Maronite archbishopric of Deir el Kamar, which is a superb site.

I need funds, especially for Deir el Kamar, which, as far as architecture is concerned, is a unique place. There is also Tripoli, unfortunately ravaged by the war, which I consider a very beautiful city to be saved at any price. The old souks of Tripoli are something unique in the Near East. They can be restored because except for Alep, what is left of the fine cities in our regions? Damascus was ravaged by modernism.

[Question] You are somewhat of a fanatic about archeology.

[Answer] Unfortunately, we lack the funds and the means. For the time being, international organizations are hesitating to invest in Lebanon. We need twin cities.

[Question] Are you a sports fan?

[Answer] Not really. From time to time, I ride my old motorcycle which I keep at home. When I have time, I read and listen to music.

[Question] You are accused of liking alcohol a little too much.

[Answer] I have a drink like everyone else, but I do not know why they accuse me of being fond of alcohol and drugs. I never understood why the former Italian president, Pertini, that "venerable old man," accused me of being a morphine addict.

[Question] But you like to live it up?

[Answer] I try, in my own way.

[Question] If you had not had the burden of that family and partisan heritage, would you have gone into politics?

[Answer] No, certainly not. I would have tried to travel around the world. Life is short. We have to make the most of it, especially when one thinks of all the dangers present at the close of this 20th century: nuclear war, famine, overpopulation.

Traveling: That is what I love!

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JA'FARITE MUFTI STRESSES NEED FOR UNDERSTANDING WITH SYRIA

Beirut LA REVUE DU LIBAN in French 9-16 Aug 86 pp 24-26

[Interview with Ja'farite mufti Shaykh Abdel Amir Kabalan, by Nelly Helou]

[Text] Ja'farite mufti Shaykh Abdel Amir Kabalan is known for his moderate attitude, his attachment to legality and its institutions. He still defends a united, free, sovereign and independent Lebanon within its international borders. Today, Kabalan defends the security plan he deems to be a first step on the path of salvation. For him, the Syrian presence "in the very heart" of Lebanon does not correspond to hegemonic aims on the part of the Alid government and only seeks the good of the country. One would like to share his underlying feelings on the matter, which are unfortunately not so obvious, as he himself reveals.

Our meeting took place at his home located at Akka Hospital itself, on the road leading from Ghobeireh to the traffic circle on the border of the southern suburb. I had to take the Franciscan crossing and make a detour to Hamra to pick up the photo before going to the meeting place. Once it would have taken me but 10 minutes to go from my house in Baabda to the airport circle. Since Kabalan is not too fanatical, I could be content with a simple scarf in place of a chador.

Our talk dealt with current problems, particularly the application of the security plan.

[Question] In your opinion, is the current plan the final solution or is it but a provisional remedy?

[Answer] From north to south, Lebanon needs an overall security plan covering the entire territory. We cannot make do with partial security systems, different identities, allegiances, objectives, and so on. When we proposed that regular forces take responsibility for controlling security in West Beirut, that meant that it was a first step to extending security to the entire country. If that first phase succeeded, then Lebanon would be on the path to salvation. We do not want a simple truce or any provisional process because we do not want to go back to partial, divided, partisan security or self-protection. We have called on the regular forces because only the law can ensure security and it is its duty to do so. We have insisted that the

task be entrusted to a force taken from the Lebanese Army, which receives its pay from the government and its orders from its superiors. Only the legal authority can put things back into their normal framework.

[Question] But that security plan is far from being unanimously supported by leaders and officials in West Beirut, the southern suburbs and the mountains.

[Answer] In principle, no one is against the establishment of security. Nevertheless, those in our regions who reject the plan do so out of fear of the record of the regular forces and hidden intentions. One has but to give them the necessary assurances and engage in a dialogue in order to reach an agreement confirming respect for the law and tradition.

As for the eastern regions, their rejection stems from the fear of seeing the Syrians penetrate their sector. We would remind them that the Syrians are present in Dhour Choueir, that they are not very far from the summer Presidential Palace in Bickfaya, that they are in Sofar, near Madfoun, near the "French Chamber" in Sannine on the Ayoun el Simane border, in Jurd de Akoura. It is much easier for the Syrians to extend their hegemony over the eastern region than to move into the maze of the inner city district.

I do not believe that a single Lebanese can yet accept this situation raging in the west and the east when innocent victims are paying with their lives for criminal acts such as the car bombings in Ain el Remmaneh and Berbir. This Lebanese homeland must be placed on the path to a total cure.

[Question] Can there be an overall solution such as you have described without the Lebanese Army? Why use borrowed forces?

[Answer] Security can only be guaranteed by a local force. We have asked for a regular force including the 6th, the 11th and 12th Brigades, which are Lebanese brigades. Alongside the regular troops are Syrian observers put there to strengthen the army's authority in the field, for some fear only the authority of a state that instills fear.

We have even repeatedly asked for the entry of Syrian troops and Khaddam and the officials in Damascus have refused. The presence of 250 to 300 Syrian observers hurts no one and does not constitute a danger to the eastern region of the country, as long as the Syrian Army surrounds all of Lebanon and is in the very heart of Lebanon.

Annexation of Lebanon

[Question] This massive presence of Syrian troops throughout the entire Lebanese territory constitutes a danger to the country's independence!

[Answer] Not at all! The Syrians returned to Lebanon to back its independence. No wise man from any group would allow Lebanon to be violated. We have rejected the entry of Palestinians, any plan of division, the Israeli occupation. As for the Syrians, they have absolutely no intention of occupying or dividing Lebanon. Anyone who thinks the opposite is wrong.

[Question] In listening to Khaddam's statements in Paris, one grows somewhat concerned because they reveal Syria's hegemonic designs on Lebanon.

[Answer] Why did Syria not annex Lebanon when it was present everywhere, in the east and the west, in Achrafieh, Tall-el-Zaatar, Bickfaya. It went in with legal cover at the request of the government. Many people are willing to proclaim their allegiance to Syria, moreover. None of those fears or apprehensions are founded. Otherwise, it would have proclaimed Lebanon's annexation to Syria when it had all the cards in its hand.

[Question] In your opinion, what is Syria's role in Lebanon?

[Answer] As I understand things, Syria would not like Lebanon to remain a hotbed of explosions given the damage this could do to its national interests and national security. It has taken responsibility for the defense of Lebanon's independence, sovereignty, people and borders. The Lebanese are firmly attached to the independence of Lebanon. They reject any cantonal formula of a Christian, Shiite, Druze or Sunnite nature and want a unified, independent, strong nation from Nakoura to El-Arida.

Climate of Trust

[Question] In short and medium-range terms, what are the chances of the success of the plan for security in the suburbs as far as Saïda, the mountains, and on the Beirut-Damascus international road?

[Answer] Success of the plan depends on the climate of trust that could be created between us, provided that the armed groups in the field and those under their umbrella put an end to their attacks, especially on private radio stations. If those armed forces truly want security for the people, they would facilitate the action of the regular army.

Furthermore, we have all arrived at an impasse and a closed door. The eastern region does not want to occupy the western zone and the west does not want to invade the east. Each is in position on both sides of the old Saïda road and no one intends to advance beyond his own lines. Then why continue to bear arms, to martyrize the people, to exploit the people? Bearing arms no longer makes sense. How long must this game continue?

From the top to the bottom, no one is sincere toward his own country. People are sincere only with regard to their own interests and in order to exploit the people's goodness. The conflict is not religious or between the right and the left or between reactionaries and progressives. The conflict is due to private interests and the mentality of those in government and officials in the country. That is why we are for the application of the security plan, everywhere in the west and also the east by using regular forces, meaning legal forces of the Lebanese Army and the FSI [Internal Security Forces]. The Syrians are there only as observers in coordination with the Lebanese Army in the field.

[Question] But the Lebanese Army is present everywhere in the east.

[Answer] Yes, it is present in the east and the west, but its role is blocked, paralyzed in both sectors. When it succeeds in putting an end to the presence of any non-legal gun, in taking control of the ports and passages, then any citizen from any region will demand application of the security plan.

Mortal Isolation

[Question] As you have just said, since we have come to a closed door, is the solution just ahead?

[Answer] *Inchallah!* The security plan is but a point of departure that presumes political cover. But to date, politics is isolated; the politicians do not get together, are alienated from one another. We advise them to cooperate with Syria to solve the crisis because it is preferable to turn to Damascus rather than to other countries.

[Question] Why not simply advise them to dialogue with one another directly without resorting to the "good auspices" of others?

[Answer] Because their cooperation is precisely determined by outside factors. We must therefore seek the person who can serve the interests of the nation. Ask the chief of state why he went to Damascus 11 times in the 2 or 3 preceding years? Syria was the mother, the sister. Why then has it suddenly become the party that wants to impose its dictates on Lebanon and its future? Did it defy the Christians? Elie Hobeika was a responsible force in the east. She thought that in cooperating with it, a solution could be found.

[Question] Then what is the reason for all the shifts, in your opinion?

[Answer] The son of Pierre Gemayel -- the leader of the Kataeb had been in political life and participated in government for 40 years -- could not accept the fact that Elie Hobeika should become leader of the Maronites.

In Lebanon, our life is still governed by the caste system, a tribal system, the difference between the son of a wealthy family and a man of the people. We would have wished that this 11-year-long war might provide a solution to the problem and that the Lebanese would have no other allegiance than to Lebanon and his brother. What good are all these splits? It is time to replace the caste mentality, the clan mentality, by patriotism. We have not been taught the love of country that comes from faith. The Lebanese school was not a patriotic but a tribal school. We want one nation for all. But in order for Lebanon to remain, it must be liberated from the Israelis and it must understand that the Syrians do not represent a danger and will be with us at the time of difficult choices. Has the eastern region forgotten the attitude of Syria when the Palestinians were going to dominate everything? Syria and Israel cannot be lumped together. Israel is an enemy. Syria is a sister. We have to be realistic.

Israeli Intelligence Services

[Question] You are a southerner, a native of the border region, and you know better than others the situation in this sector. There can be no doubt that since its entry into Lebanon in June 1982, Israel has sought to establish a dialogue with the Shiites in the south. Is such a dialogue possible?

[Answer] Trusting Israel is like trusting the devil. The Hebrew state always resorts to cunning, like the fox, and all its friends in Lebanon have been beaten. I personally believe that Israel is responsible for the death of Bachir Gemayel, as well as for the war in Chouf and the mountains. If Israel were serious and sincere, then why did it not withdraw from Lebanese territory during the security arrangements? We opposed those arrangements, but we had no voice on the matter. Why does Israel not respect the armistice agreement, Resolutions 425 and 426 of the United Nations? No, it does not want to withdraw from Lebanon and it wants to have an agent and collaborator in every house.

[Question] Any Shiite-Israeli dialogue is therefore to be ruled out?

[Answer] The only way out of this problem is for Israel to withdraw from the south in accordance with international decisions and with the application of the 1949 armistice. Any other agreement with any given group is rejected and it will be a dead letter.

[Question] Why do you never go to your native village of Meiss el Jabal?

[Answer] My land is occupied; how can you expect me to go there? And yet, I would love to have spent my vacation in Meiss el Jabal with my family, my children.

[Question] But there are only Lebanese in the border strip?

[Answer] There are also Israelis, especially from the intelligence services. They want to humiliate me, ruin my reputation, and are working day and night to get me to dialogue with them, so that in the eyes of everyone, I will become a collaborator. I categorically reject any contact with them and would not like them to have contact with my relatives either. However, my brother has to remain in Meiss because he is president of the municipality.

On the other hand, I would have dealt with Lahd's army, as the Lebanese faction, if it broke off all relations with Israel. Furthermore, we are not against the Jews as a people, but against the racism of the state of Israel, its desire to try to kill us. They want to rule the world.

[Question] What is your role in the Amal movement?

[Answer] I am no more than a mere member (he replied with humor). My desire is to see that moderate movement continue to love Lebanon, to watch over its independence, the land and its people. I wish the movement would develop,

organize and become structured. I am supporting it so that it will become the moderate line in our regions. This moderation has limits vis-a-vis Israel when we are defending our land.

Israeli Mosad

[Question] You were very nearly the victim of a bombing that was discovered in time. Who was behind that cowardly, criminal act?

[Answer] The Israeli Mosad, which was trying to create sectarian dissension between Sunnites and Shiites on the very eve of the application of the security plan. Every Tuesday, I go to Saida. A car loaded with explosives was left in my way in front of the Sindibad restaurant in Wadi Zeini and they were to be set off by remote control.

According to the plan, I was to be killed outright. Passengers arriving just behind me in a Mazda would then contact "The Voice of Lebanon" to claim responsibility for my assassination in the name of the Islamic Jihad, asserting that I had deviated from the path of Islam in dealing with the state and the law. Once the news was known, certain elements would assassinate Shaykh Mhammad Ali Jouzou to make people believe the Shiites were reacting against the Sunnites. This would have been all they needed to ruin the security plan and intensify the conflict between Sunnites and Shiites.

The plan was discovered by Berri's security services. I was not in Saida on that day. Other revelations will be forthcoming when we have more details.

Survival of Arab Regimes

[Question] How do you explain the silence of the Arabs over the Peres-Hassan II meeting?

[Answer] The Arab regimes are only thinking of themselves. If they were truly determined to fight Israel -- which is not Hitler or Germany -- they could have done so. There are but 3 million Israelis facing 100 million Arabs. But the Arabs do not want to fight Israel and settle the question of the Palestinian people. Today, it is rather the Israelis who are putting pressure on the Arab world to eliminate the Palestinian presence from the world.

The king of Morocco has more of a Western than Arab or Islamic mentality. In the past, he said that there should be cooperation between Jewish thought and Arab labor to create an advanced, educated, civilized society. The chairman of the El Qods committee plans all these things. It is he who was responsible for Sadat's trip to Jerusalem and this is not the first time he has met with Peres. A delegation of Israeli parliamentarians went to Morocco, where there is a large Jewish colony, and met with King Hassan II.

As for the reactionary Arab regimes, their survival is linked to the existence of the state of Israel, which channels and absorbs any dissent that would otherwise turn against these rotten systems. If they gave money to the Palestinians, it was not so they would fight against Israel, but to alienate them from them.

[Question] Do you, who are known for your moderate attitudes, believe there can be a solution to the Palestinian and Israeli-Arab problem without a dialogue between the parties involved in the conflict?

[Answer] They all ask for an international umbrella. Why refuse it? But when each one tries to pull on his side, it will be like the story of the lion and the three bulls. As long as the three bulls stick together, the lion cannot attack them, but he still manages to pit them against one another and eats the first, then the second. When he gets around to the third, the latter says: "I was done for as soon as he ate the first one."

Israel uses the same tactic with the Arab states. By "freeing" the Sinai, it occupied all of Egypt, because the Israelis are in Cairo, Alexandria and everywhere else. Is it Morocco's turn next?

[Question] You have perhaps stated it over and over, but I would like to hear your attitude on the Palestinian presence in Lebanon once again.

[Answer] We shall always watch over the Palestinian people as a people, but the presence of the Palestinian gun, the principle of self-security, is totally rejected. Their security is part of ours, we shall always watch over them, it is forbidden to fight them and they are forbidden to fight us. We have always lived together; we are brothers, but there can be no question of going back to the pre-1982 situation.

Bkerke

[Question] How can one put an end to the extremist current that risks threatening the existence of Lebanon as a civilized, free, democratic country that is open to the Western world?

[Answer] For me, moderation is the right path. Extremism results from suffering, from a basic problem. If one can cure the problem, one then attenuates the extremist current.

Civilization resides first of all in respect for others. What can one say about those who kidnap or kill innocent victims in the east and the west on religious grounds? Is this not also a form of extremism?

And what is extremism? The answer varies depending on whether one is on your side, my side or theirs. One has to be realistic and understand the reasons for this phenomenon in order to cure it.

[Question] It was recently claimed once again that Imam el Sader is still alive. Do you have any more details?

[Answer] I am personally convinced that he is still alive, but no one has worked in his behalf. We should all thank the president of Senegal, who has not forgotten him, even when his best friends did or are deliberately forgetting him. There is a solid friendship between Sayed Moussa and President Abdou Diouf, who is the only chief of state in the Islamic-Arab world to remain faithful to his friendship, although the Arabs boast of being loyal to their friends.

[Question] Do you intend to visit Patriarch Sfeir after his enthronement?

[Answer] Patriarch Sfeir is our friend and we are in constant contact with him by phone. There is no obstacle between us. Bkerke does not belong to the Maronites; Bkerke belongs to all Lebanese. We shall go to Bkerke at the first opportunity.

[Question] What role could you play at the present time in order to bring the views of political leaders on all sides closer together?

[Answer] I would ask the chief of state to resume contact with Damascus because the solution to our problems cannot come without Syria. Moreover, the Syrians have something to say to all politicians, including those from the east, and have not burned their bridges with anyone.

[Question] Rather, it is said that Damascus burned its bridges with the chief of state.

[Answer] Everything was peaches and cream between them. During his trips to Damascus, who did President Gemayel remain silent over what was being prepared with respect to the tripartite agreement? He could have said from the outset that Elie Hobeika does not represent the Maronites. Why did he appease the Syrians, only to burn his bridges later? And yet, Syria offered him something it gives no one. It helped him, loved him more than us, made us love him and then troubled us with him. Just as he broke the ties, he should fix them.

[Question] Will the days ahead be difficult?

[Answer] People are already frightened enough without being troubled further. Actually, our agreements in the field have no political basis. If we do not come to an understanding with Syria, then Israel will play its hand and ruin everything. Let us therefore avoid falling into the trap.

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MORE JOINT VENTURES WITH FRANCE

Jeddah ARAB NEWS in English 4 Sep 86 p 2

[Article by Muhammad Qindeel]

[Text]

JEDDAH, Sept. 3 — Economic relations between Saudi Arabia and France have grown substantially during the past years resulting in increased number of Saudi-French joint ventures in the Kingdom, according to Ismail Abu Dawood, chairman of the board of directors of the Jeddah Chamber of Commerce and Industry.

Speaking to *Arab News* after hosting a banquet to French External Affairs Minister Jean-Bernard Raimond here Monday, Abu Dawood highlighted the good relations between Saudi chambers and Arab-French Chamber. Raimond left here yesterday after a three-day visit during which he met with Saudi businessmen.

Abu Dawood said the Kingdom has been one of the major oil suppliers to France for several years while Paris is placed fourth among the 15 major exporters to the Kingdom.

There are a number of projects being undertaken by French companies. They include Jizan seaport wharfs, expansion of

Dammam seaport, two desalination plants at Jubail and Riyadh, a laboratory for vaccination medicine, expansion of Dhahran international airport as well as construction of housing estates, hospitals and hotels.

The chairman said the joint industries cover dairy products, beverages, soap, cosmetics, perfumes, cement, electrical goods and assembling of cars and other motor vehicles.

He said contracts have been signed with the chamber in Paris for training Saudis in the administration of industries, preparing economic feasibility studies, international and domestic marketing, international commerce and business relations, commercial and investment and financing and transportation.

Agreement has also been reached on teaching French language to Saudi businessmen as well as business terms, definitions and fundamentals in French, Abu Dawood said.

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CSO: 4400/7

INDUSTRIAL SECTOR EXPECTED TO INCREASE

Jeddah ARAB NEWS in English 4 Sep 86 p 2

[Article by Javid Hassan]

[Text]

RIYADH, Sept. 3 — The Industrial sector of Saudi Arabia, which currently contributes 8.3 percent of the GDP, is expected to increase its share to around 15 percent by the end of the current five-year plan, Minister of Industry and Electricity Abdul Aziz Al-Zamil told a seminar in Vienna on Industrial investment opportunities in the Gulf.

The three-day seminar, which started yesterday, concludes tomorrow. A copy of the minister's address was made available to *Arab News* here today.

Outlining the scope for Industrial investment in the region, the minister said four factors should be taken into account for evaluating the investment opportunities: Gulf states' commitment to Industrialization; the mutual advantages of Industrialization; the Gulf region as a market for the future; some special advantages of investing in the Gulf.

Stressing the importance of economic diversification, Zamil said the need for such a course has become imperative in view of "the difficulties faced by single commodity economies. Therefore, Industry will continue to be an important and permanent feature of the Gulf economies. Saudi Arabia, with Industry already contributing 8.3 percent of GDP, is expected to increase this to around 15 percent in the medium term, with the expansion of the first generation

petrochemical projects and an increase in the private sector investments, which will place us among the newly Industrializing countries."

The diversification of the Gulf economies, the minister said, will lead to the rapid growth of new markets for a wide range of products from all over the world. "The Gulf countries form an important part of the world market; it is the eighth largest market area after the United States, Japan, Germany, France, Britain, Italy and the Soviet Union; hence the Gulf is an important element of the world economy and its growth will help stimulate growth in other countries of the world. In this perspective, we invite our trading partners to become our Industrial partners by locally producing at least 30 percent of the current imports, which will be for the mutual benefit of the Gulf countries and the foreign partners."

World trade, the minister pointed out, could also benefit from this investment in the Gulf Industry. Citing an example, he said increased diversification could stimulate the Saudi economy by around four percent annually, "which means the economy will double in the next 15-20 years."

He said that even with around 30 percent of the current imports manufactured locally, the demand for imports could be estimated to be 30-40 percent higher than at present levels. "The point is simple and irrefutable;

international trade grows when countries Industrialize, and Industrialization is promoted by international investment."

Referring to the market forecasts for the Gulf states, the minister said a boom period is expected in the early '90s in view of the upswing in the oil prices leading to an upturn in the Gulf countries. "I am sure that as businessmen you all know that the optimum time to invest is when the market is low, so that you can gain maximum advantages from the upturn as soon as it comes."

Speaking of the future prospects, Zamil said the Gulf, as the ninth largest economic unit in the world, has a bright future. As such, it is an area where any international company could be located. "No company can afford to miss out the Gulf market," the minister added.

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CSO: 4400/7

SCIENTIFIC CONFERENCE TO CONVENE

Jeddah ARAB NEWS in English 12 Sep 86 p 2

[Article by Taher Hussein Ansari]

[Text]

RIYADH, Sept. 11 — The first meeting of heads of scientific research institutions in member states of the Organization of Islamic Conference (OIC), scheduled for the last week of this month in Riyadh, aims at finding a stable base for cooperation in scientific research and helping prevent duplication of efforts, time and money, Dr. Abdullah Al-Rasheed, the meeting's coordinator, said here today.

The three-day meeting to be opened by Riyadh Governor Prince Salman on Sept. 29, is being convened in line with a resolution adopted by the standing committee on scientific and technological cooperation (COMSTECH), to discuss and identify areas of cooperation among these institutions, said Dr. Abdullah, director of scientific awareness and patents directorate of the King Abdulaziz City for Science and Technology (KACST).

The meeting, which is being organized by KACST in association with the Islamic Foundation for Science, Technology and Development (IFSTAD), an affiliate of OIC, will also concentrate on various issues of common interest and other related matters for the development of science and technology in the Islamic world. Several research papers will be presented.

The meeting, Dr. Abdullah said, will review ways of implementing the recommendations of COMSTECH. And the resolutions passed at the first coordination

conference on technology cooperation among Islamic states as well as the decisions taken by the first meeting of its task force.

The meeting will also discuss policies, programs and objectives of IFSTAD, formulate a strategy to enhance cooperation among research centers of Islamic countries and define and distribute tasks among the participating countries, he said.

In recent times, KACST has received the Saudi government's utmost attention, which came in the form of restructuring its board of directors. Now KACST has a supreme board, which is the controlling authority in all matters affecting the city's functions and management affairs.

KACST's main tasks include formulation and implementation of a national policy for science and technology, promotion of scientific research programs, extension of assistance to the Saudi private sector in the research and development of agricultural and industrial products, and support to joint research programs between KACST and international scientific institutions, the award of scholarships for applied research works and promotion of coordination with government agencies, scientific organizations and research centers in the Kingdom.

IFSTAD, an executive body of the OIC standing committee for scientific and technological cooperation, is now chaired by Pakistani President Muhammad Zia ul-Haq

while its governing body, namely the scientific ministerial council, is chaired by Turkish Premier Turgut Ozal.

IFSTAD's five-point action plan comprises the following key areas:

- Formulation and coordination of common programs in specific fields of science and technology and extension of help in supporting them,

- Establishment of science and technology data banks in member states (scientists, experts, training centers and education facilities),

- Contribution and coordination in manpower training,

- The development of consultancy work for the public and private institutions and

- The development of cooperation with regional and international organizations.

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CSO: 4400/7

SAUDI ARABIA

PAPER ANALYZES BACKGROUND TO PARIS EXPLOSIONS

PM231231 Jeddah 'UKAZ in Arabic 18 Sep 86

[Diplomatic Editor "News Analysis" column: "What Is Behind Explosions in France?"]

[Excerpts] A series of explosions recently occurred in Paris in the midst of threats by unknown persons of more such operations. A large-scale investigation is being carried out in order to identify the perpetrators of these actions.

While a search is being carried out for clues that would indicate the party or parties behind these operations the French media campaign against Arab and Middle Eastern citizens is escalating.

Every Frenchman knows that those behind this campaign are the Zionist quarters that exploit everything in order to use it against the Arabs and to conceal the truth behind these explosions and the quarters behind them.

Carried away by this mad media campaign against everything that is from the Middle East, the French authorities have arrested all those who belong to any Arab country in order to question them; some of these have been released, others have been deported.

The question to be asked here is: Why this campaign against the Arabs in France, why at this time in particular, and who is behind the explosions?

In order to answer this we must lay down the most salient points on which we base our analysis of the reasons for this phenomenon and which could provide the answer to the question in this regard. These are:

First, French Jewish organizations are putting pressure on the French Government with the aim of forcing it to support Israel unreservedly.

Second, the quarters hostile to the Arabs are trying to convince France that the Arabs are a source of danger to it so that it would become hostile to them.

Third, Israel is putting pressure on France in order to convince it to join any collective European-American action against the Middle East countries allegedly because of their responsibility for world terrorism.

Fourth, the extremists in France are exploiting the situation in order to launch a campaign for the expulsion of all the Arab emigrants from France.

Fifth, the campaign is aimed at forcing French President Mitterrand and his Prime Minister Jacques Chirac to seek the support of the Zionist organizations and Israel in the future presidential election campaign and not to support the just Arab causes.

What confirms that Israel is behind this wave of explosions in France is the statement by Israeli enemy Prime Minister Shimon Peres in Washington in which he said that "France is responsible for not being firm with acts of violence." Also we should not forget the statement the Israeli papers falsely attributed to Jacques Chirac that he does not support the establishment of a Palestinian state.

Perhaps the French investigations will reveal that the Arab countries have nothing to do with what is happening in France and that the fingers of a certain international intelligence agency are behind all these disasters that are now causing concern to the French and that Israel is the only one to benefit from the recent campaign of explosions.

/9604

CSO: 4400/3

GCC NEWS AGENCIES MANAGERS MEET

LD132129 Riyadh SPA in Arabic 1650 GMT 13 Sep 86

[Text] Riyadh, 13 Sep (SPA)--The general managers of GCC news agencies have held their second meeting at the headquarters of the General Secretariat. They examined ways to implement the decisions of the first meeting of GCC information ministers on cooperation in the domain of news agencies. The meeting was held under the chairmanship of the leader of the Omani delegation and attended by delegations from all member countries. After adopting the agenda prepared by the General Secretariat; adding the question of preparations regarding information by the UAE for the Abu Dhabi summit, and the information efforts of the Directorate of Information at the General Secretariat; and after examining and discussing the agenda, the conferees reached the following recommendations:

First: Cooperation in the domain of news and exchange of information.

a. The conferees discussed a suggestion by the General Secretariat to create a unified information center. Given that the Gulf News Agency [Wakh] is currently assuming this task, the conferees agreed to stress the role played by the Gulf News Agency in this respect, and to reserve a center for assembling news of GCC member countries. The agency will then transmit news on its Arabic and English channels, while enriching this news with the necessary background information from the point of view of the GCC, with continuous coordination with the general administration for information at the General Secretariat. It was stressed that the news agencies of member countries should broadcast news on their domestic and foreign channels.

b. In order to strengthen collective participation in the information gathering center, the conferees charged the General Secretariat with preparing a program for recruiting editors from news agencies of the member countries, according to the circumstances of each agency, to work in the Gulf News Agency for a period of less than 2 weeks in order to participate in editing news of GCC states. Every agency should bear the cost of the recruitment of its editors.

c. The conferees recommended that the information center represent the GCC countries in covering meetings and events within and outside member states in cooperation with the delegates of national agencies to these meetings, in addition to the delegation of the General Secretariat.

d. They recommended that when opening new offices of member-countries news agencies the General Secretariat of the GCC be informed in order to coordinate with member countries.

Coordination should also be emphasized between existing offices, and the possibility of merging some of these offices if any agency so wishes.

e. They underlined the continuation of placing all available means of GCC news agencies, including their direct and indirect transmission networks, in the service of news of the GCC, and to inform the General Secretariat about this.

The conferees also stressed the need for commitment not to transmit any news concerning member countries if such a news does not emanate from its official news agency, or directly from one of its officials in order to ensure accuracy.

Second: Cooperation in technical fields.

The conferees discussed domains of technical cooperation between news agencies of the GCC, in this respect they agreed to the following:

1. To charge the General Secretariat with preparing a descriptive report concerning the telegraphic services of national news agencies to be submitted to the third meeting of the general managers of news agencies of the GCC.

2. The conferees discussed an SPA proposal on the exchange of technical information and agreed on the following:

- a. To exchange information on new equipment that will be used in the future by any of the national news agencies so as to acquaint the other news agencies with the importance and specifications of the new equipment.

- b. The need to hold meetings of the heads of the technical and engineering departments of the news agencies of the GCC states "at least once a year," or their participation in meetings of the directors general of the news agencies, in order to exchange information on improving the services, maintenance methods, and the exchange of information. It is also important for them to attend seminars and exhibitions on telecommunications.

3. To charge the GCC General Secretariat with the preparation of a study on the possibility of jointly benefitting from Arabsat in establishing a technical link-up among the news agencies of the GCC states, and to promote the exchange of news among them.

4. To charge the GCC General Secretariat with adopting the necessary measures within the framework of official channels in the GCC to approve the recommendation on preferential tariffs for the circuits rented to the news agencies of the GCC states, as stated by the executive conference of the Arab Telecommunications Union and in accordance with the recommendation of the GCC Fees and Prices Committee at its meeting held in Bahrain from 1-2 July 1986, and as follows:

\$200 monthly for telegraph circuits of 50-75 bauds among the Arab states.

\$1,000 monetary unit only as received for audio circuits.

To ask the competent authorities in the GCC states to adopt the necessary measures to implement the above.

Third: Training:

The conferees were briefed on the proposal that the Information Department in the GCC General Secretariat should organize a training course in conjunction with an international news agency. They agreed to further study the proposal and to ask the Secretariat to prepare, in conjunction with Gulf News Agency, a blueprint for training courses within the news agencies of the GCC states and in conjunction with other international news agencies, and to benefit from international organizations in this regard.

Fourth: Cooperation in the development field.

The conferees discussed the importance of the development role with which the news agencies of the GCC states are charged. They stressed the need to concentrate on various development activities, particularly in the cultural and economic fields, and the fields of youth, women, and so on and so forth.

Fifth: Media preparations for the seventh session of the GCC Supreme Council.

The conferees heard an Emirates News Agency [WAM] on the media preparations for the seventh session of the leaders of the GCC states to be held in Abu Dhabi. The conferees expressed their satisfaction with and appreciation for the facilities extended, about which they have been informed.

Sixth: The efforts of the Information Department of the GCC Secretariat.

The conferees expressed their thanks for the fruitful efforts of the Information Department in promoting cooperation among GCC states and in facilitating the task of news agencies to obtain daily reports and news. They recommended that the Information Department should participate in covering events and meetings that are held outside the GCC Secretariat headquarters, particularly ministerial meetings.

The delegations participating in the second meeting of the general managers of the news agencies of the GCC member states.

The UAE:

Ibrahim al-Abid, general manager of the UAE News Agency.

Bahrain:

Nabil Taq'ub al-Hamar, general manager of the Gulf News Agency.
'Abd al-Jalil Muhammad 'Umar, first editor.

Saudi Arabia:

Badr Ahmad Karim, general manager of SPA.
Eng 'Abd al-Majid Fuhaym Khalifah, manager of technical administration.

Oman:

Muhammad ibn Salim al-Marhun, general manager of information.

Qatar:

'Ali sa'id al-Kawwari, manager and chief editor of the Qatari News Agency.

Kuwait:

Ahmad Dashti, deputy general manager of KUNA.

Delegation of the General Secretariat:

Abdualian Salih al-Jasir, general manager of information of the Secretariat.
Amhad Musa al-Dhubyan, Gulf information official.
Fahd Salih al-Khalif, Gulf information official.
Ahmad Khalifa al-Mansur, information official. [as received]
Izz al-Din Khalil al-Muayyad, news editor.
'Abd al-Aziz Muhammad al-Magran, from the Directorate of Protocol and Conferences.

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CSO: 4400/3

GCC OFFICIAL DISCUSSES UPCOMING MEETING WITH EEC

LD201957 Riyadh Domestic Service in Arabic 1800 GMT 20 Sep 86

[Text] 'Abdallah al-Quwayz, GCC assistant secretary general for economic affairs, declared that the foreign ministers of the GCC states and the foreign ministers of the EEC countries will meet in New York on 26 September to discuss several vital issues including the world political situation and the political situation in the Arab Gulf area, particularly the Iraq-Iran war. They also will discuss economic cooperation between the GCC and EEC countries and the current negotiations to conclude a GCC-EEC economic agreement.

Al-Quwayz expressed the hope that the meeting will achieve positive results regarding the GCC-EEC economic agreement.

In a statement published in Riyadh today, Dr al-Quwayz said that the GCC summit, which is scheduled to be held in Abu Dhabi, the UAE, at the end of November 1986, will discuss economic regulations, such as enabling the nationals of GCC states to carry out business activities [in other GCC states] in line with the gradual method adopted in the application of the economic agreement.

The GCC summit will also review a system for registering patents and a draft proposal giving priority to national products.

Al-Quwayz said that among the most important economic projects whose study has been completed and which will be implemented soon in the GCC states is the project to construct a line for the transportation of crude oil, (?an oil pipeline) that links the GCC states, the Gulf of Oman, and the Arabian Sea, and another line to transport natural gas. Other projects include a railway line, a power line, and a direct land route.

Referring to the effect of the fall in oil revenues on joint economic projects in the GCC states, al-Quwayz asserted that the fall in oil revenues has had a positive effect in that it has brought the GCC states closer together. He indicated that with regard to the basic joint economic projects--which are usually financed by governments--a part of these projects has been completed, and only a few projects remain to

be completed. With regard to the private sector projects, he said that there were a considerable number of such projects prior to the GCC's establishment, and the delay in implementing more projects is not due to the lack of desire on the part of individuals in the private sector to carry out such projects as much as it is due to the effect of oil revenues and the market on the private sector's purchasing power. Consequently, the economic feasibility of such projects has become inconsequential. He asserted that this is a healthy and not a discouraging sign of the integration and solidarity efforts among nationals of GCC states, in both the private and public sectors.

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CSO: 4400/3

GCC STUDY ON OIL PRICING PROPOSED

Jeddah ARAB NEWS in English 4 Sep 86 p 2

[Article by Doug Graham]

[Text]

RIYADH, Sept. 3 — The fifth meeting of the Gulf Cooperation Council committee of national oil companies wrapped up its 2-day meeting today with a decision to pass studies on product pricing to the Oil Ministers Committee.

Pricing of refined petroleum products was the subject of a study by Kuwaiti representative Abdulbaghi Abdullah An-Nuri, who is chief of the Board of Directors of Kuwait's Petrochemical Industries Co. (PIC). GCC officials said the group discussed ways of cooperating on pricing, and possibly refining one country's crude oil in another's refineries to achieve greater regional independence.

The Kingdom and the five other GCC members are interested in tying their economies closer together and one aspect of this is reaching a common products pricing policy. Although the Kingdom raised refined petroleum products in April 1984, its prices are still lower than some other GCC countries such as Bahrain.

Another topic discussed by the group is world pricing for natural gas. Petromin is an important supplier of liquefied natural gas to countries like Japan.

Saudi Arabia's representative to the committee, Abdul Aziz Hadi Al-Zamzami, Petromin's assistant chief of foreign operations, presided over a session on presentation of results of Petromin's study on establishing a joint GCC plant to produce lubricant base oils to fill the need for such plant.

Other chief delegates to the meeting were Khalif Rashid Al-Oteiba, manager of the Abu Dhabi National Oil Company (ADNOC) marketing department, Muhammad Saleh Al-Sheikh Ali, chief executive of the Bahrain National Oil Co. (BAPCO), Ali ibn Abdullah Al-Tammimi, director general of finance of the Oman Ministry of Petroleum, and Muhammad Turki As-Subei, vice chief of the Qatar General Petroleum Corporation (QGPC).

The delegates also discussed manpower development in the petroleum industry for the GCC states.

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CSO: 4400/7

DESALINATION PROGRESS REPORTED

Riyadh RIYADH DAILY in English 26 Aug 86 p 2

[Text]

RIYADH, Aug. 25 — The Saline Water Conversion Corporation (SWCC) has carried out a number of projects for provision of potable water to the citizens.

These projects include water desalination stations at the eastern and western coastal areas.

Implementation of these projects forms a part of the efforts made by the Saudi government to further develop the service sectors.

A total of 21 water desalination stations have been established by the SWCC, 15 of which are in the Red Sea coast while the remaining are in the Arabian Gulf coast.

The production capacity of each one of these stations ranges from 60,000 to 253 million gallons of water per day in addition to 295 megawatts of electric power.

The total production capacity of these stations currently reaches 480,555 million gallons of desalinated water per day and it can be increased to about 550 million.

In addition to the huge water desalination stations at the coastal areas, the SWCC has established three big desalination stations in Makkah and Taif in addition to

other small stations in the Eastern region.

The water desalination station in Al-Khobar is one of the biggest water stations in the Kingdom. The first phase of this station which was completed in 1973 has a total production capacity of 7,500,000 gallons of desalinated water per day. It supplies Al-Khobar, Dammam, Dhahran, Qateef, Sihat, Safwi and Rahima with potable water. The second phase of this station, which was completed in 1983, has a total capacity of 5,000,000 gallons of water.

The water desalination station in Jubail is the biggest water station in the Kingdom. This station, which was opened in 1983, has a total capacity of 240,000,000 gallons of water per day, in addition to 1,295 megawatts of power.

In addition there is water desalination station in Khafji which has a daily production capacity of 330,000 gallons of potable water, and four other stations in Jeddah, Madinah, Duba, Wajh and Amlaj.

There is no doubt that the SWCC spent considerable efforts

in carrying out these water projects. These efforts have been appreciated by the Minister of Agriculture and Water Abdulrahman Al-Sheikh, who is also chairman of the SWCC board of directors.

In a written article, Al-Sheikh pointed to the great achievements realized by the SWCC, noting that they could not be achieved without remarkable efforts.

He also pointed at the ambitious programs of the SWCC to train Saudi youngsters to undertake operation and maintenance of existing and future water projects. He said that this matter confirms that the SWCC constitutes one of the main pillars of progress in the Kingdom.

In the field of training, the SWCC is currently establishing two training centers which can accommodate 1,050 trainees per year.

These centers, in Jubail and Yanbu, will include all specializations relating to water desalination.

The SWCC is currently making use of training programs organized in Saudi universities and other specialized institutions.

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CSO: 4400/9

SAUDI ARABIA

BRIEFS

ECONOMIC-TECHNICAL AGREEMENT WITH GREECE--An agreement for economic and technical cooperation between the Kingdom of Saudi Arabia and the Republic of Greece was signed at the Saudi Foreign Ministry this morning. The agreement was signed for Saudi Arabia by His Royal Highness Prince Sa'ud al-Faysal and for Greece by Ambassador Emmanuil Kalpadhakis. The Greek ambassador expressed his happiness at the signing of the agreement. In a statement to SPA he stressed that the agreement is further proof of the two countries' good and traditional relations, as well as a reflection of their existing friendship and their resolve to permanently consolidate these excellent relations. The agreement will contribute to strengthening economic and technical relations between the two countries and to consolidating their relations at the official level as well as the private level, which reflects the willingness of the Greek people and government to increase cooperation and understanding between the kingdom and Greece. The Greek ambassador described his country's relations with the kingdom in particular and the Arab world in general as traditional and strong, based upon mutual understanding as well as historical and cultural ties. [Excerpts] [Riyadh SPA in Arabic 1313 GMT 17 Sep 86] /9604

CSO: 4400/3

SYRIA

AL-THAWRAH: U.S. MOVES 'PRELUDE' TO 'NEW AGGRESSION'

JN070638 Damascus Domestic Service in Arabic 0415 GMT 7 Sep 86

[From the press review]

[Text] United States' moves in the area are the subject of AL-BA'TH's editorial today. The paper views these moves as the prelude to new aggression against the Arabs. It said Richard Murphy's Middle East tour is not coincidental, nor is Walters' European trip. The two envoys' paramount concern is to activate hotbeds of tension or spread them to the whole Mediterranean basin. The Tabah issue is not the center of Murphy's talks and his secret and public meetings, as the Americans and their allies in Egypt and Israel allege.

The U.S. envoy's trip to the Middle East coincides with the presence of the U.S. rapid deployment force on Egyptian soil and in Egyptian waters, following secret maneuvers and the political explorations carried out by U.S. Vice President George Bush. The strategic allies, the United States and Israel, are using the Tabah issue as a gateway to Egypt, for one thing, and a cover for all which has been agreed upon by the Zionist war minister and his chief-of-staff and their U.S. counterparts for another. It is common knowledge, and admitted by the terrorist Ari'el Sharon, that talks between Israel and the United States have two sides to them--propagandist and practical.

AL-BA'TH went on to say: We have no doubt that the United States has agreed with its ally, Israel, to make the most of the disarray in Arab ranks and launch a military attack, long talked about by the U.S. press, administration, and officials. Toward this end, the soil of Egypt has been chosen as a launching pad for aggression against Libya. Public opinion in the United States has been prepared for such action through the fabrications of the CIA, which cares nothing for human life. Also in preparation for this military strike there have been conspiracies against the use of oil as a strategic weapon in the Arab battle.

It now remains for the United States to secure West Europe as an active partner in possible military action. For this reason, the Zionist Mosad agents have moved to resurrect the claim that terror in Europe and elsewhere is Arab-inspired.

AL-BA'TH concludes: We acknowledge the power of the United States and the might of its weapons, as well as the ability of Zionism to falsify facts, but as an Arab nation we will not allow the United States to be a decision-maker as far as our land is concerned. Nor will we allow Israel to have such a superior force as to impose its decisions on the area. Therefore, U.S.-Zionist calculations in the area will be upset.

SYRIA

COMMENTARY CRITICIZES U.S. ROLE IN PEACE PROCESS

JN081733 Damascus Domestic Service in Arabic 1115 GMT 8 Sep 86

[Station commentary]

[Text] The U.S. Government is currently exerting active efforts to grab the strings of regional and international moves regarding the Middle East crisis with the aim of making them run through or under its supervision. Some of the signs of these active efforts were the visits to the region by some U.S. officials and the pressures exerted on some sides linked to the United States and Camp David to implement certain matters, such as the agreement on the arbitral compromise regarding the Egyptian Tabah area occupied by Israel [words indistinct] to act quickly to make up for time lost after the 1982 Israeli invasion of Lebanon and to convene a meeting between the head of the Egyptian regime and the Israeli prime minister before serious international efforts to solve the crisis in the area get started and before Shim'on Peres hands power over to his political foe and rival Yitzhaq Shamir.

Despite the efforts which the United States has been making for some time to manipulate the strings in the region, it does not have any more strings than it did before. Indeed, the United States has lost some of the cards it used to have. The Egyptian regime, badly entangled by the Camp David accords and shackled by U.S. restrictions accepted by President al-Sadat and now more of a burden during the Mubarak regime, is coming under heavy popular pressure, limiting its ability to go along with U.S. demands, as Washington and Tel Aviv want.

What makes U.S. multidirectional efforts potentially unsuccessful is that whatever changes U.S. policy undergoes do not go beyond a change in words, phrases, terms, and formats to anything substantive which can serve as a starting point for something meaningful. What the United States is advocating is nothing more than direct negotiations between Arab parties and Israel in which it does not take part and which do not obligate the participants to implement UN resolutions on the Middle East and Palestine.

The United States does not commit itself to anything; instead it wants to play the role of mailman, biased broker, unjust arbitrator, and unashamed supporter of the side rebellious to international laws and resolutions. It also wants

the aggressor to be in a position of strength during the negotiations Washington is seeking to force on the Arabs. Past experience has proved that even U.S. guarantees amount to no more than empty words or mere ink on paper when it comes to calling Israel to account or pressuring it when it rebels against laws, agreements, norms, and pledges.

By way of promoting its new moves, the United States argues that an Israeli withdrawal from occupied territories, including the Golan Heights, can be one of the subjects at the direct negotiations sought by Washington. But the United States does not commit itself to anything nor does it say that a requirement for any just settlement is total Israeli withdrawal from all occupied Arab territories. The United States also talks about an international framework for the direct negotiations it is advocating, but it insists on avoiding the international conference called for by the United Nations.

The reason behind this U.S. evasiveness is that the United States is aware that the aggressor would have an untenable position at such a conference and that the guarantees given by several parties, including the permanent members of the Security Council, would work as pressure on Israel and as a deterrent against its dodging their implementation, as is typical of Israel. Another reason behind the U.S. aversion to an international conference is Washington's knowledge that breaking the U.S. monopoly of efforts to solve the Middle East crisis would deny the United States the ability to protect the aggressor, encourage its rebelliousness, and enable it to occupy and annex other countries' territories and expropriate their rights.

Hence the desperate efforts to push forward a U.S.-Israeli solution before the time comes for real and serious international endeavors to find a settlement in the area within the context of attempts to eliminate hotbeds of tension and the threat of a regional conflict and to create the right atmosphere for a thaw in international relations. Syria refuses to see the United Nations role in the Middle East problem and its responsibility for peace compromised. Syria adheres to a just peace and therefore insists on UN-sponsored international conference.

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CSO: 4400/1

SYRIA

DAMASCUS RADIO COMMENTS ON ISRAELI RAIDS IN SOUTH LEBANON

JN101943 Damascus Domestic Service in Arabic 1530 GMT 10 Sep 86

[Palestine Broadcast: "Talk of the Return"]

[Text] Brother strugglers, every time Lebanon takes a step toward tranquillity, security, and stability in preparation for solving its problems, Israel, in cooperation with its agents, escalates its aggressive and terrorist acts against the Lebanese people, especially in the south. With the beginning of the improvement of the political and security situation in Lebanon, which is reflected by the steps taken by the Lebanese Government dialogue committee in its last two meetings, the Israeli warplanes launched a barbaric raid this morning aimed at unarmed civilians in the city of Sidon.

A group of helicopters, in addition to Zionist warplanes, participated in this raid which resulted in the killing or wounding of many civilians in addition to material losses. The brutal Zionist aggression in the outskirts of Sidon did not surprise anyone because Israel, since the incidents involving the U.S. plane in Karachi and the Jewish synagogue in Istanbul, has begun to escalate its aggressive and retaliatory campaigns against the Arab nation. As usual, Israel found in the cities, villages, and camps of southern Lebanon the targets on which to launch its retaliatory raids, using various feeble pretexts and claims headed by what it calls terrorism. Israel began to prepare for this aggression 3 days ago. The Zionist gunboats imposed a blockade on the port of Sidon and prevented commercial ships from unloading their cargo at the port, forcing them to head for other Lebanese ports.

At the same time, the Zionist warplanes made provocative flights over various Lebanese areas and broke the sound barrier over Beirut. Therefore, the Zionist planes' brutal raid this morning on the city of Sidon came within the framework of the Zionist retaliatory acts against the Palestinian and Lebanese Arab peoples to weaken the Lebanese national resistance and place obstacles before every Lebanese effort with Syria's support to achieve security and stability and draw up a national Lebanese charter.

Israel is the one most harmed and annoyed by the return of security and tranquillity to fraternal Lebanon. It is, therefore, the one plotting the most against Lebanon's unity, independence, security, and safety. Israel

continuously works to foment sedition and create hotbeds of tension in both the Lebanese capital and southern Lebanon. The explosions in greater Beirut were planned by Israel and its agents. The continuous provocations and attacks by agent Antoine Lahd's militias on the Kafr Falus axis near Sidon and in southern Lebanon are being carried out with Israeli support and encouragement with the aim of weakening the Lebanese national resistance movement, fomenting sedition and problems, and undermining popular rallying around the national resistance.

However, these continuous practices, attacks, and raids by Israel and the agent forces against the Lebanese people and the national resistance and against the Palestinian people in the camps have proved to be [a] failure. The national resistance to the occupation and its agents has not ceased for one day. In fact, it is escalating and spreading to include even the enemy settlements in upper Galilee, on which rockets fell recently. The Zionist war minister was forced to admit that Israel is unable to put an end to Katyusha rockets falling on the Zionist settlements in northern occupied Palestine. The march of accord and dialogue initiated by the government dialogue committee has covered a significant stage. It has adopted several resolutions and measures to entrench security and media truces in preparation for discussing the political issues which are of interest to all Lebanese.

/8309

CSO: 4400/1

PRODUCTION BEGINS AT THAYYEM OIL FIELD

London MEED in English 20 Sep 86 p 26

[Text] Full commercial production has started at the Thayyem oil field near Deir al-Zor. By 1988, the field will have helped to increase total Syrian output by more than 50 percent--cutting the oil import bill and giving a big lift to the balance of payments (MEED 12:7:86).

Output from Thayyem is likely to average 50,000-60,000 barrels a day (b/d) in the next 18 months, says deputy oil and mineral resources minister Nader al-Nabulsi. It is expected to reach 100,000 b/d in 1988, when additional wells in the field are brought on stream.

Thayyem produces light crude with a low sulphur content. The bulk of the 170,000 b/d produced from fields elsewhere in Syria is heavy, with a high sulphur content. About 200,000 b/d is imported to mix with local crudes for refining at Homs and Banias.

Thayyem is operated by Al-Furat Oil Company. This was set up in 1985 by Syrian Petroleum Company (SPC) and the US Pecten, with equity partners Royal Dutch/Shell and Deminex of West Germany. According to the production-sharing agreement, the government retains a 12.5 percent royalty on all hydrocarbons produced; the remaining output is split 50-50 by SPC and the foreign consortium.

Output from Thayyem is to be pumped to Homs through the Iraq-Syria pipeline--disused since 1982--via a 92-kilometre spur. This was completed recently by Czechoslovakia's Technoexport.

The start of production at Thayyem will reduce the volume of oil Damascus imports from Iran, according to a 1982 agreement. This was recently renewed for the six months beginning October 1986. Tehran has been supplying 6 million tonnes a year (120,000 b/d) of light crude to meet local refining needs.

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CSO: 4400/10

UNITED ARAB EMIRATES

BRIEFS

1986 STATE BUDGET DEFICIT--Abu Dhabi, 11 Sep (QNA)--Ahmad Hamid al-Ta'ir, the UAE minister of state for financial and industrial affairs, has announced that the expected deficit in the state budget for the current year 1986 will be 3.6 billion dirhams, an equivalent of approximately \$1 billion, which is the same deficit as last year. In a statement published here today, he said that the budget will be issued in October after it is ratified by the UAE Supreme Council and the Council of Ministers, and that the budget revenues were determined according to the average oil prices for the previous period and the price expectations for the coming 4 months. Ahmad al-Ta'ir denied that there is an intention to reduce wages and salaries in the budget, to devalue or revalue the dirham against the dollar, or to reduce the banks' interest rate. He emphasized that rationalization of expenditure is going on in the various sectors of the state, but that this process differs from one sector to another according to development needs. [Text] [Doha QNA in Arabic 0840 GMT 11 Sep 86] /9604

CSO: 4400/3

JAPAN GETS 'STRONGEST WARNING YET' ON INCOMPLETE COMPLEX

London MEED/THE MIDDLE EAST'S BUSINESS WEEKLY in English 23-29 Aug 86 p 13

[Text]

The Japanese partner in the incomplete \$4,000 million Bandar Khomeini petrochemicals complex has been accused of irresponsibility, and warned that unspecified action may be taken against it.

The warning came in mid-August from the managing director of Iran's **National Petrochemical Company (NPC)**, Mostafa Taheri. He told a press conference that Iran did not want to resort to court action, but might decide to reduce the number of units that were originally for completion.

Work on the 13-unit complex was interrupted by the 1979 revolution and the Gulf war. Technicians from the Japanese partner — **Iran Chemical Development Company**, led by the **Mitsui Group** — abandoned the site, on the Gulf, in 1985, following Iraqi air raids. Japan had earlier objected to the majlis' rejection of a 1983 supplementary agreement that would have allowed it to reduce its 50 per cent share in the joint-venture **Iran-Japan Petrochemical Company (IJPC)**.

The supplementary agreement had required Iran to assume all extra costs — including damage caused by Iraqi attacks. Iran also assumed payment of interest on bank loans taken out by the Japanese. These payments were stopped after the Japanese withdrew from the site (MEED 22:2:86).

Taheri said Iran is ready to meet all its obligations, but that it holds Japan responsible for the interest payments. Japan has also failed to provide adequate maintenance at Bandar Khomeini, which is 85 per cent complete. "The damage inflicted on the . . . project by the irresponsibility of the Japanese partner is much heavier than that caused (by the war)," Taheri is quoted as saying.

Taheri's comments are the strongest by Iran since early 1985. The two sides have been holding inconclusive talks on the issue, amid speculation that the scheme might be abandoned or postponed indefinitely.

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CSO: 4600/05

'IMPROVED' RELATIONS WITH USSR DISCUSSED

London MEED/THE MIDDLE EAST'S BUSINESS WEEKLY in English 23-29 Aug 86
pp 13, 16

[Text]

The Soviet Union and Iran appear to have taken another step towards improving relations, following talks held in Moscow by Oil Minister Gholamreza Aqazadeh. The Moscow visit is the latest in a series by senior officials of both countries; it may be followed later in 1986 by one from Foreign Affairs Minister Ali Akbar Velayati.

Prime Minister Hossain Moussavi says Aqazadeh was in the Soviet capital to discuss co-ordination between OPEC and the Soviet Union — the world's biggest oil producer, but not an OPEC member. Aqazadeh was to go on from Moscow to several Asian and African countries to discuss OPEC's attempt to cut oil output and boost falling world prices.

During his talks with Soviet Premier Nikolai Ryzhkov, Aqazadeh was expected to discuss co-operation in hydrocarbons development — including joint oil exploration in the Caspian Sea and resumed supplies of Iranian gas. No details about the talks were revealed in Moscow, although they were described as businesslike.

On overall links, Aqazadeh and Ryzhkov agreed that the differing social systems in their two countries should be no barrier to better relations, the official Soviet news agency TASS said on 19 August. They called for a development of good

neighbourliness, and noted that the extent of economic links failed to reflect the two countries' potential.

Aqazadeh's talks were preceded by a Moscow visit by deputy foreign affairs minister Mohammad Javad Larijani. Larijani described his talks in very positive terms, saying "unanimity on all issues is not a precondition for very close and friendly relations."

Iran's interest in improving ties with Moscow is prompted by several economic and political factors. The government has been pressing the Soviet Union to send back hundreds of technicians withdrawn from project sites because of possible danger from the Gulf war. The schemes include two big power stations in Isfahan and Ahwaz, and a Soviet-built steel mill near Isfahan.

More recently, officials have been encouraged by signs that Moscow might be persuaded to reduce its military support for Iraq. Iran has had some success with France, Iraq's other main ally, in recent months; pragmatists in Tehran believe the government should try harder to use diplomacy to shift the military balance in Iran's favour.

Possibly as part of this effort, Tehran changed its ambassador in Moscow in August: Kia Tabatabai was replaced by Nasser Heirani Nobari.

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CSO: 4600/04

MODERATE, EXTREMIST STRUGGLES IN MUSLIM LEAGUE, PPP NOTED

Karachi JASARAT in Urdu 7 Aug 86 p 3

[Abdul Karim Abid's column, Political Affairs]

[Excerpts] The violence-prone elements in the Muslim League, the ruling party, say that if the power of the Pakistan People's Party is not curbed now, it will become too strong to be defeated in the future. They say that the administration, in order to show its democratic spirit, gave Miss Bhutto too much freedom and too many facilities to take out processions. As a result of this generosity, the PPP, a disorganized party in the past, has managed to become organized in every part of the country. This, they say, has happened because the administration has been too gentle and peace-loving. The PPP is only pretending to be nonviolent. It is secretly planning to start a campaign full of violence and destruction. In order to prevent this, the administration and the Muslim League should start a campaign to demonstrate their power before the PPP has had a chance to become fully organized. The PPP, they say, should be defeated before it becomes all-powerful. These elements in the Muslim League say that the only way to prevent agitational politics in the country is to close the doors of freedom on the People's Party. Failing this, the administration should be ready to confront chaos and uncontrollable agitation in the land. The administration members, say these agitation-prone people, are afraid of being called dictatorial. They want to be called democratic, and that is what will make the PPP too strong to be controlled in the future. They should rise above all ideas of praise and blame and do what is necessary at the moment. These Muslim League members say that a clash with the PPP is in the offing. They say they can beat it at every step if the administration will only let them. Why should they wait until the PPP starts the trouble? Why should they not start the attack, and thus have the upper hand in the clash?

At the other extreme are the peace-loving elements in the league, including Mr Junejo, who hold that the administration should not be afraid of the street politics of the PPP. The more the People's Party gains political power, the more its inner contradictions become apparent. Moreover, the other political parties that fear or dislike the PPP will forget their differences and become united. In this way the People's Party will give new life to the other parties. The PPP has more enemies than friends in the country, but they are disunited. If the fear of the PPP could unite these people, it would be quite

possible to defeat that party. It is possible that the power of the other parties would compel the People's Party to avoid a clash and try to reach a compromise with the other parties.

The democratic elements in the league believe that the PPP will not abuse the freedom that the administration has given it, because they know that the resulting chaos and lawlessness would bring back a dictator who would take away every freedom. They think there is no harm in giving democratic freedom to the PPP, as its members know, they think, that street politics cannot give them the rule over the country. It will only result in them losing their freedoms. They are too wise to take that risk. They will never take such a suicidal step. We, say the moderate Muslim League members, are ruling according to democratic principles, but if things go wrong we are not concerned because the army stands behind us. If we tell them that we cannot rule without its help, it will put things right in a short time. This will harm democracy, but the PPP will gain nothing. Democracy is the best thing for both parties.

This faction of the Muslim League affirms that it cannot deprive the PPP of political freedoms without losing those freedoms itself. Moreover, the members of this faction say, the league has commitments in the area of international politics. It has said to the United States and to the whole Western world that it would give Pakistan a framework of democratic principles. It cannot back out of that promise. If it breaks its promise and proves untrustworthy, the United States and the Western powers would stop helping it and make a pact with its opponents. Thus, power politics would be suicidal for it, too. Following democratic principles is the only way for it to remain in power. Becoming undemocratic would mean that the government would pass into other hands.

Like the Muslim League, the PPP also has factions with two different points of view. One faction says that the party should be peaceful. It says that if it starts unruly behavior, its opponents will beat it at every step. This is the predominant faction in the PPP and includes Miss Benazir Bhutto. It believes that no political party can win a victory under the present circumstances. All that can be hoped for is a compromise with the other parties. If it is to gain anything, it will be the result of a compromise. It is all very well to shout revolutionary slogans, but in practice, politics should be decent and civilized, or all that has been gained will be lost. The members of this faction think that the present assemblies and the civil government structure constitute the ladder that will take them to democracy. If this ladder were to be removed, they would all fall down. They would keep crying in the abyss, but nobody at the top would take heed of them. Being peaceful and making a compromise with the present administration is in their best interests. They believe that the United States and the other Western powers have helped them to gain their present freedoms. They have promised these helpers that they will remain peaceful and not resort to violence. They must keep their promise or they will lose the help of the Western powers, and their opponents will become strong.

The other faction of the PPP consists of enthusiastic leftists. According to them, nothing is ever gained by being peaceful. One has to fight and die for a cause. The day of confrontation will soon come, they say, so why not prepare for it? They think that inactivity would lead to deterioration of their power. Their processions cannot last forever. The enthusiasm would soon die. Soon their processions would consist only of spectators, and these people could not make them strong. They need workers, they say; love of peace would ruin them. Their opponents would use force against them. Being peaceful would not lead them anywhere. They should stop being hypocrites and come in to the field to fight.

Both the League and the People's Party contain factions that have these opposing points of view. Which of them will win? It is hard to say. But for the sake of our country and the principles of democracy, we want the peace-loving groups to win, those who dislike violence.

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PAKHTOON LEADER GHAFAR KHAN INTERVIEWED

Islambad HURMAT in Urdu 1-7 Aug 86 pp 8-16

[Interview with Khan Abdul Ghaffar Khan, veteran Pakhtoon leader, by M. Riaz; date and place not given]

[Excerpts] M. Riaz of HURMAT's Peshawar bureau was trying to interview Khan Abdul Ghaffar Khan for several weeks. Mr Khan was sick, and the NDP leadership did not want him to be interviewed, fearing he might "say something wrong." Some members of the NDP and Mr Khan also objected to camera flashes that would hurt Mr Khan's eyes. We are grateful to Farid Toofan, press secretary of the NDP, for arranging for Mr Khan to be interviewed by M. Riaz. As per instruction by Mr Khan, we did not ask some specific political questions.

[Question] In your speeches, you often refer to Mr Jinnah's Pakistan. What do you mean by this? Is this not Jinnah's Pakistan? If not, why not?

[Answer] By Jinnah's Pakistan, I mean the Pakistan he got after his struggles. It had five provinces. The present Pakistan with four provinces is not Jinnah's Pakistan. This Pakistan belongs to the army, Punjab, and the capitalists.

[Question] What is special about Jinnah's Pakistan?

[Answer] Jinnah wanted to establish a confederation. A Bengali named Fazal Haq, who was later called the Lion of Bengal, had the word confederation removed. Jinnah's Pakistan had promised equal rights and autonomy to all provinces on the basis of confederation removed. Jinnah's Pakistan had promised equal rights and autonomy to all provinces on the basis of confederation. It did not happen that way, however. When the people in East Pakistan won the election, they were not permitted to form a government. The leadership of the government was given to a candidate approved by Punjab.

[Question] Why are you so much against Punjab? Do you hate Punjabis, since every other word you say is against Punjab?

[Answer] I sympathize with the Punjabis. I have often said that they are more persecuted than we are. We can, at least, ask for our rights. The Punjabis cannot do that. I have promised God that I will help people, and I

will help Punjabis as well as Pakhtoons. The Punjabis I hate are the capitalists, the landowners, and the privileged people who are looting the poor masses. These are the very people who have raised walls between me and the Punjabis in order to strengthen their own position. Such groups tried to keep me out of Punjab both before the partition and since then.

[Question] In your speeches, you have been demanding more autonomy for the provinces. Are not you satisfied with the rights given to the provinces in the 1983 constitution?

[Answer] What is the 1973 constitution? Where is it? The Punjabi landowners, the army, and the capitalists have destroyed Jinnah's Pakistan. The 1973 constitution is nothing; it has already been destroyed.

[Question] Mr Khan, what are the reasons for the recurrence of martial law regimes in Pakistan? How can we stop this trend?

[Answer] There is only one reason, and that is our shamelessness. Look at other countries. India got its freedom at the same time as we did. Did it ever have martial law? Every country where Muslims are ruling has had martial law. Look at the examples of Iran, Turkey, and Bangladesh in our neighborhood.

[Question] How can we stop this trend?

[Answer] Look at the Philippines. A woman put an end to the dictatorship of a cruel tyrant. Two women in Bangladesh, Begum Khalida Ziaul Rahman and Begum Hasina Wajid, are fighting General Irshad.

[Question] What is your opinion of Benazir Bhutto's efforts in Pakistan? Will her efforts to change the nation's government succeed?

[Answer] Right after the success of Mrs Aquino in the Philippines, I thought that Miss Bhutto would succeed in making some major changes in Pakistan. I told the women in my household that this woman would be successful like Mrs Aquino and put an end to all the unfair practices of the present government. But now I have the impression that she will not be successful. She just is not Mrs Aquino.

[Question] How can you decide so quickly that she will not be able to bring about any changes and that she cannot become another Mrs Aquino?

[Answer] When Miss Benazir returned, I had hoped that she would fight like Mrs Aquino against the cruelties suffered by the masses. Instead, she toured Punjab on her return. I had hoped that she would make some important changes. I was disappointed in this. (He instructed the interviewer here to quote this verbatim, and not to twist his statements.) She went to Punjab, so we cannot expect any reforms now.

[Question] It is said that if the four provinces fail to agree on the issue of the Kala Dam, emergency rule will be established.

[Answer] The Kala Dam is Sarhad's problem. Other provinces have nothing to do with it. Tell me which Punjabi river or canal joins the Sindh as far as Kala Bagh? This is our river. This river belongs to the Pakhtoons. Pathans live on both sides of it. According to international law, a river belongs to the area in which it flows. If anyone else owns this river after us, it will be Sindh. Punjab has nothing to do with it. We have three dams, but we were not given any water or electricity. In this hot weather, electricity is cut off for as much as 3 hours.

[Question] What do you think about the electricity rates being discussed in the assemblies? Is not Sarhad getting its full share?

[Answer] We do not care about electricity rates or money. All we want is our share of electricity to fight the heat in summer. They shed load for as long as 3 days here. What will we do with money? We are begging for our rights, and no one hears us.

[Farid Toofan] Father, we will not beg any more. We shall fight for our rights. The electricity belongs to us, and we will give it to whomever we want.

[Question] While addressing a meeting in Naushahra a few days ago, you announced that you and your followers would volunteer to be arrested in Naushahra against the Kala Dam. You had said the same thing about Mianwali in Mianwali. So far, not even one person has volunteered to be arrested. Why?

[Answer] You journalists are strange people. You neither do anything nor can you write accurately. All I said was that I would not let them build this dam. I went to the proposed site of the dam to ascertain whether they had started work there. I had said that I would volunteer to be arrested in order to stop work on the dam. The dam was not even being built. How and for what could I have volunteered to be arrested?

[Question] Mr Khan, you have said that you believe in nonviolent confrontation and have practiced it during your life. Now your son, Wali Khan, is threatening to blow up the Kala Dam. Are you not opposed to such an approach? If so, why do you not stop him?

[Answer] Stopping the Kala Dam is my job, and I will accomplish it using nonviolent means. I have already admonished Wali Khan and told him not to make statements like that. I told him that the nonviolent approach has never failed, and that we will not need dynamite to stop the Kala Bagh Dam.

[Question] Iqbal Ahmad Khan, federal minister for justice and parliamentary affairs, announced during a National Assembly meeting that Bacha Khan and G.M. Sayed were being investigated, and that they would be punished if they were found guilty. What do you think about this?

[Answer] I do not understand what investigation you are referring to.

[Question] The investigation of your recent slogans about breaking up Pakistan.

[Answer] That is a lie. Who raised this slogan? I did not. Hamida Khouro was sitting close to my feet and I did not even hear her voice. [Smiles]
People accuse me of raising slogans. I am not a slogan raiser.

[Question] Recently a procession in Lahore demanded that you be hanged. Would you please comment on that?

[Answer] If I have committed a crime and am found guilty, I will be happy to accept my punishment, including being hanged.

[Question] Do you consider the present government, which calls itself democratic, a valid government?

[Answer] (Smiling) Why are you asking me this question? Ask it of yourself? Do you consider it legitimate?

[Question] Mr Khan, you are being interviewed, so you will have to be the one to answer the questions.

[Answer] Even you are hesitate in answering this question! I do not consider this government legitimate.

[Question] Wali Khan Kokikhel the famous tribal leader, accused you of asking Zahir Shah, the ruler in Kabul, to attack Pakistan during the Indian-Pakistani war of 1965. How much truth is there in this accusation?

[Answer] Who said that? To whom did I say what?

[Question] During the 1965 war.

[Answer] When did the 1965 war take place?

[Question] During the Ayub era, and you were living in Kabul at that time.

[Answer] I remember it now. The truth is that I had gone there for treatment. There I wondered what I would do in Pakistan. I had spent 15 years in jail during my 18 years of stay in Pakistan. I decided to stay permanently in Afghanistan. I told the Afghan Government that as fellow Pathans, they should cooperate with us so we could get rid of the persecution we were facing. They began to talk about Pakhtoonistan at that time, and they tried to impress on us that they were helping us. The Indian-Pakistani war started during that period. India promised to help establish Pakhtoonistan if Afghanistan would help India. So I wrote to Hashim Meondwal, then prime minister of Afghanistan and a friend of mine, that the Indian Government had proposed to help establish Pakhtoonistan if Afghanistan would cooperate. Unfortunately, he did not offer his help to establish Pakhtoonistan, and we could not avail ourselves of this opportunity.

[Question] Tell us about the 1947 referendum. Why did you decide not to participate in it? Did you succeed in whatever you wanted to achieve at that time?

[Answer] At the time, when plans to divide India were being made, Sardar Patel, the famous Hindu leader, and the viceroy, Lord Mountbatten, decided to divide Punjab and Bengal. They also decided to hold a referendum before making any decision on Sarhad. They wanted the people of Sarhad to decide whether to join India or Pakistan. We did not take part in that referendum. The Hindus did not help us. We told the rulers that the Hindus had betrayed us. We asked for a referendum in Sarhad to ask people whether they wanted to join Pakistan or to remain as an independent country. The government did not agree to this request, as Lord Mountbatten had already promised Sarhad to Pakistan. Thus, Sarhad was given to Pakistan and I was put in jail.

[Question] Are Indian-Pakistani relations better now? If not, how can we improve relations between the two countries?

[Answer] We do not need that. Why should one be involved in this relationship? How can relations between the two countries be improved when Pakistan is helping the Sikh militants with modern weapons and military training? It is useless to talk about good relations under these circumstances. Ask me important questions and (angrily) do not ask silly questions.

[Question] You visited India recently. What was your impression? You met Prime Minister Rajiv Gandhi, President Giani Zail Singh, and other prominent leaders there. Did you discuss Indian-Pakistani relations with them? Did you make any proposal to them?

[Answer] (Very angry) I did not discuss that subject there. I did not go there to discuss Indian-Pakistani relations. I went there for Gandhi and the Congress Party.

[Question] Did not the Pakistani Government ask you to discuss this issue?

[Answer] No.

[Question] According to news reports, you went to India at the Pakistani Government's request.

[Answer] Yes, that is true. I did not want to go to India as I was very sick at the time. I had double pneumonia. The Pakistani Government wanted me to go to India. The commissioner of Peshawar division, the deputy commissioner of Peshawar district, and the assistant commissioner of Char Sida visited me repeatedly to tell me that the government wanted me to visit India. The Pakistani Government sent me, but after my departure the propaganda carried by the press was very negative. The deputation of government officials had assured me that the government would send a doctor and some nurses with me.

[Question] You have often expressed a desire to change the name of Sarhad. According to some sources, President Zia proposed changing the name, but you refused to go along with it.

[Answer] When Wali Khan and his associates were in jail in connection with the Hyderabad Tribunal case, I visited Zia to request their release. We discussed this issue at that time. I told Ziaul Haq that when I was a Parliament member, I announced in a speech that I did not want Pakhtoonistan. All I wanted was identification for our province, just like the other provinces. We did not want a Pakhtoonistan, just a name for our province. Zia asked me if I really did not want a Pakhtoonistan. I said, yes. He told me to pick a name for our province and he would approve it.

I told him that I would get back to him after discussing it with my friends and associates.

On my return home, I told my friends that I did not like the name Pakhtoonistan. An old friend, Arbaba Ghafur, said to me: we have made so many sacrifices for this province and now you do not like this name.

I told him that it was the old British policy of dividing Pathans whenever they failed to control us with swords and guns. They divided us into Afghanistan and what could have been Pakhtoonistan. I do not want either Afghanistan or Pakistan. The name of this area should be Pakhtoonkhawah [Good for Pakhtoons]. My friends agreed. I wrote to Zia about it. All this happened in 1979. When the Punjabi leaders learned about it, they asked Zia not to accept my proposal. Zia told me in a letter that due to the elections, the time was not appropriate for such an action as the Punjabis were against it. He asked me to be patient, and he promised to change the name of Sarhad to Pakhtoonkhawah later. I wrote after the recent referendum asking him to fulfill his promise, as he had become a "king" now. He, however, never did make good on his promise.

(At the mention of Pakhtoonkhawah, the face of this veteran politician began to shine. Seeing him in a good mood, I asked the question I had wanted to ask for a long time)

[Question] Mr Khan, why were you closer to the Hindu leaders before Pakistan was established? Why did you join the Congress Party instead of the Muslim League? You are a Muslim. Why did you cooperate with Gandhi and Nehru instead of working with Mohammad Ali Jinnah?

[Answer] Here are some facts. The Khundai Khidmitgar [God's Servants] organization I started was very successful and popular. Three months after its inception, the chief commissioner of Sarhad asked me about the "racket" I was running. I told him I was doing what I should be doing. I explained that I was working for the welfare of my people. I was arrested and our offices and work area were surrounded by the British. The people living in our villages were persecuted, and those working in our offices were thrown out. Wali Khan was a little boy at the time. He was attacked by a

British officer with a baton. A Muslim officer hid him under the stairs to save his life. The British soldier continued to harass our people for a long time. I was put in the Gujrat jail along with my associates. This jail was the worst jail of that time. At that time all Sarhad people were restricted to the province. When the situation became very bad in our area, two of my associates escaped from our village at great risk and met me in jail. They told me that our people were being persecuted and that we needed help. Where could we go? I was not in the Muslim League at that time, but I had heard that this was a party of Muslims. I told my associates to go see some Muslim League leaders. I said they must help us, or at least we would get some publicity about the atrocities being committed on our people.

My associates met with some Muslim League leaders, but they got no help. They were told that the Muslim League was established by the British to counter Hindus. They could not help us since they were also fighting the British. I told my associates to try some other people; India was a big country, there should be help somewhere. Those associates returned after several days and told me that they had met the leaders of a party called Congress and that they had promised help. I have been with the Congress Party since then. It is the Muslim League's fault that I joined the Congress Party. If the Muslim League had helped me, I would have had no reason to go to the Congress leaders. I was forced to join forces with the Congress Party because of the cold shoulder the Muslim League gave us.

I ran into Feroz Khan Noon at a dinner party in Simla. On seeing me he accused me of working with Hindus.

I told him that I had first come to him for help, and had gone to Hindus after being disappointed by him and his party. If he had helped us, we would have had no reason to go to Hindus. I offered to join the Muslim League if he was willing to help me with my cause. Mr Noon told me that he would think about it. I met him 16 years later in Bihar and asked him for the reply.

He did not reply, but just walked away with his head bowed.

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